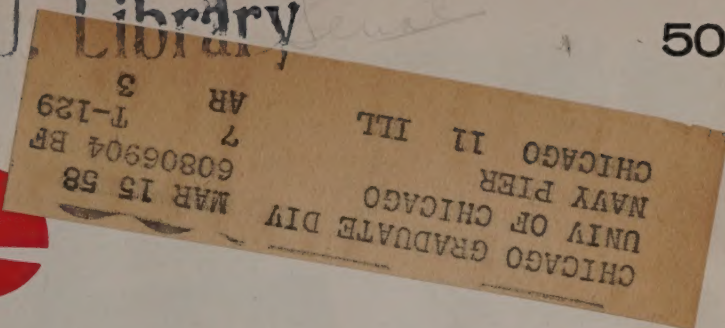


# Tide

THE MAGAZINE FOR ADVERTISING EXECUTIVES



William H. Sahloff

**November 9, 1956**

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- What U.S. business spends to advertise . . . p. 18**
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## LIKE CALIFORNIA WITHOUT THE BILLION DOLLAR VALLEY OF THE BEES

- ✓ MORE BUYING POWER HERE  
THAN IN ALL OF MISSISSIPPI\*
- ✓ NOT COVERED BY SAN FRANCISCO  
AND LOS ANGELES NEWSPAPERS

Map of California (right) shows you how it is with our great inland Valley -- why Coast newspapers aren't the answer here. Mountain-ringed, independent and self-contained, the Valley has its own local newspapers. The 3 Bees -- your sales campaign needs them.

\* Sales Management's 1956 Copyrighted Survey

- THE SACRAMENTO BEE
- THE MODESTO BEE
- THE FRESNO BEE



# McCLATCHY NEWSPAPERS

NATIONAL REPRESENTATIVES . . . O'MARA & ORMSBEE



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To prove the ruggedness of 1957 Chevrolet trucks, Chevrolet admen and Campbell-Ewald agency men set out on a test over the Alcan highway.

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### NEW TRENDS IN POINT-OF-PURCHASE ADVERTISING . . . . p. 28

Marketers will spend \$900 million on p-o-p materials in 1956. Self-service merchandising has forced changes in designs and concepts.

### IBM STARTS NEW COMPANY . . . . . p. 32

It will sell a tabulation service you can use on a fee basis. Here are details.





# ADVERTISING FORECAST

## **PRSA and APRA explore merger possibilities:**

The two major public relations associations in the U.S. may finally settle the differences which have so long upset the business and merge into one PR group. W. Howard Chase, president of the Public Relations Society of America, and Paul Bolton, president of the American Public Relations Assn., are having preliminary discussions to explore the possibility.

If it comes about—and it won't happen quickly—it would be a gigantic step toward having one really effective PR association and making public relations a genuine profession instead of a business.

## **A new look for R&R:**

The latest executive changes at Ruthrauff & Ryan reflect, not a major upheaval, but another step in a calculated program to streamline the agency and stimulate its growth.

Although F. Kenneth Beirn succeeds Robert M. Watson as R&R president (Watson becomes vice-chairman of the board), the streamlining plans began a year ago, before Beirn left Biow Co.

Here is what R&R is attempting to do:

- **Change from an ad agency into a marketing agency.** The recent job it did for Bon Ami, achieving national distribution in seven weeks, R&R feels, is typical of its new approach.
- **Expand R&R's billing in the package goods field.** R&R has doubled its merchandising staff in the last few months, hopes to lure new clients with new products.
- **Overhaul R&R's creative services,** to make broader creative talent more readily available to all R&R clients.
- **Reduce the age level of top agency management;** recent personnel changes have already cut average management age to 45.

Watch for new appointments at R&R in the near future.

## **New products to watch:**

Among the flood of new products you'll want to watch are:

- **Kraft Foods' new yellow, all-purpose shortening,** currently testing in Waterloo (Iowa). Kraft moved into the yellow shortening field late, now must buck P&G's Fluffo and Anderson-Clayton's Flair. Until it picks a final name, Kraft will hold back advertising and promotion.
- **XL 7, the newest entry into the deodorant soap field,** this one from Andrew Jergens Co. XL 7 is a pale green soap in a gold & white foil wrapper, contains an "antibacteriostat," has blemish-clearing qualities, will be priced below competitors Dial, Dove, Lifebuoy. XL 7 is being introduced in the midwest, backed by full-page newspaper ads and spot radio (via Robert W. Orr & Associates).



- Nestle Company's new self-service beverage packs, for display near water coolers which also dispense hot water. The new instant packs include Nescafe coffee, Nestle's chicken & beef bouillon, Nestle's EverReady cocoa, will be supported by heavy business publication advertising (via Dancer-Fitzgerald-Sample).

- Zoom, an instant whole wheat cereal, made by Fisher Flouring Mills Co. (Seattle). Now being test marketed in Seattle and St. Paul, Zoom is being backed by two-color newspaper ads, spot TV and radio (via Pacific National Advertising Agency), claims not to lump or stick, sells for 15¢ for a 10-serving package.

- Kitten, a liquid cleanser, being introduced in midwest cities by Metalglas Laboratories of Madison (Wis.). Kitten is the first of the new kind of all-purpose cleansers, is non-poisonous, non-inflammable, non-explosive.

### **A&P joins the trend to non-food items:**

Atlantic & Pacific Tea Co. is evidently giving in—after a long holdout—to stocking non-food items and soft goods on its shelves.

A&P has always resisted non-food items because of A&P president Ralph Burger belief that handling them is detrimental to low-cost food distribution. But within the past few weeks, A&P has quietly been adding items like towels, toys, screwdrivers and lamps. Soon to come: men's and children's T-shirts, women's hosiery.

More significantly, A&P has set up within the fortnight several full-fledged non-food departments in New York area stores, some with as much as 50 feet of shelf space for non-food items.

Burger has evidently changed his mind, perhaps due to the success of the trading stamp plans of rival food chains. Some insiders say that by adding non-food items A&P hopes to offset any profits lost to trading stamp-happy competition. A&P is the one really big holdout against stamps.

And some industry men insist it will be only a matter of weeks before A&P gives in and starts offering trading stamps.

### **Woolworth turns to mail order:**

F. W. Woolworth Co. is breaking with tradition by going into the mail-order business.

This year Woolworth will offer Christmas gift items by mail, first time in the company's 76-year history. Five pages of Woolworth's Christmas gift catalog will be devoted to 50 items available by mail, and the catalog is now being mailed to 5,000,000 customers. Woolworth will announce its new mail service in its series of ads currently running in Life (via Lynn Baker, Inc.).

Woolworth's move, say industry leaders, means that other variety chains (like Kress, Kresge and others) will undoubtedly get into mail order soon. Reason behind the trend: another way for variety stores to meet growing competition from supermarkets and specialty shops which are stocking more & more houseware and soft goods.



### Point-of-sale

Walking past Saks Fifth Avenue recently we were stopped in our tracks. Sitting happily in the window was a teddy bear, guzzling away. As regular as clockwork (which we suspect is responsible), the bear poured a shot from a silver bottle into a silver jigger,



raised it to his lips, downed it, and repeated the process.

After watching this unnerving window demonstration for several minutes, we noticed a small sign which suggested, "Inquire at Gift Shop." So inquire we did, and a young lady set us straight.

"It costs \$250," she told us, "and people keep coming in to buy one." She added that the bear was originally purchased as a display prop, and that Saks was amazed that anyone would want to buy an imbibing teddy bear.

"Personally," the young lady confided as we were about to leave, "I

tell their story, but rarely, if ever, venture into consumer magazines.

The ad, one of a series run by RCN (short for Rumble, Crowther & Nicholas, Ltd.), showed a distinguished Briton, attired in striped pants, spats, wing collar, top hat, etc., sitting on a park bench eating sandwiches out of his briefcase. Headlined "the new poor," the copy went on to point out that economic conditions in Britain are changing, that Britons are striving to keep up appearances, that "they still want the best but now it must be the best at lower cost." RCN, the ad concluded, tries to remember this when planning advertising.

We had not sooner heard about the series than we ran into none other than Ernest G. Walker, managing director (the British equivalent of president) of RCN. He was ending a month's tour of the U.S. agencies' problems (such as how to make a profit on collateral services), to get a briefing on current U.S. merchandising techniques, to establish contacts with U.S. agencies and to look over the operation here of some of his British clients.

Sitting in the Statler bar and sipping a gin & tonic, Walker explained that the ad campaign will cost RCN some 5,000 pounds (or \$15,000), "a lot of money for an agency to spend in Britain." It will run every two weeks for a year, Walker continued, and has three basic purposes:

1) To build a distinctive personality for RCN, a long-range effort which, Walker hopes, will eventually be reflected in billings.

2) To play down the names of the agency founders (one is dead, the other two will retire soon) and put more emphasis on present agency management.

3) To attract to RCN the type of agency talent who think in the same terms as RCN, and who want to grow with the agency.

RCN, Walker explained, was founded in 1919 and today is about 15th or 20th in size among British agencies (JWT is largest). "As British agencies go," he added, "I guess we'd be considered medium-sized." Among its 40 clients are Ford Motor Co. of England, Abbott Laboratories and Hormel.

RCN's two growth problems today, Walker said after lighting an American cigaret, are completely unlike any U.S.

# TIDINGS

think it's silly. For \$250 I'd sit in the window and drink twice as much as that stupid bear."

### The new poor

About two months ago British agency men were startled out of their usual composure when they picked up a copy of Punch and saw a full-page ad run by an advertising agency to promote itself. In Britain (as in the U.S.), agencies often use newspapers to



agencies face, though they are common in Britain. The first is allocation of space due to the paper shortage: the London Daily Express, for example, allows each British agency one insertion per client per month, and so do most big-circulation magazines. "To get color in magazines," said Walker, "you have to give 12 months' advance notice. It means you plan very, very far in advance."

The other problem is television. Although commercial TV started off with a bang, audiences are still limited by the fact that most TV sets are equipped to receive only one channel—the BBC. Until more Britons have their sets modified, or buy new multi-channel sets, the audience will still be very small for the cost.

Walker carries four impressive letters after his name on his calling card: F.I.P.A. They stand for Fellow of the Institute of Practitioners in Advertising, a professional body which sets ethical standards by which its members must operate (among them: members must not solicit business of other members unless invited to do so by the client). The Institute has several ranks, most of which require passing a voluminous examination, but Fellow is an honorary award given for service to advertising.

He's noticed several interesting things on his visit to the U.S., Walker said. One is a tendency among advertisers to use a "formula" in their ads—a square halftone here, the headline there and the copy just so. He thinks this is the result of a misapplication of research findings, claims that creative people should be provided with all available research and marketing data, but then left alone to produce ads that will attract attention. Every ad competes for public attention, he adds, and the competition increases daily.

"British agency men have the same problem as U.S. agency men," Walker noted, "only on a much smaller scale. And we talk about the same things, only we use different terms. You call it print, and we call it press. You call it a clipping, and we refer to it as a cutting. You call it the Bureau of Internal Revenue, and we call it the Inland Revenue Dept. of Her Majesty's Treasury."

"There is one big difference between us," Walker added hurriedly. "At RCN we don't have any vice-presidents."

## TV's lure

By the time we got this letter the mailman had splattered the envelope with mud, the mail clerk had lopped off the letterhead and our secretary had spilled coffee on the signature. But there was still no mistaking it: it was

another of those letters Shepherd Mead sends whenever he has turned out another of his books.\*

After reminding us of his retirement from his "mink-lined suite of offices" as TV copy chief of Benton & Bowles, Mead's letter goes on to give the title of his new book (How to Get Rich in



TV—Without Really Trying), the publication date (October 15), and a frightening warning:

"This book can destroy our world as we know it. The dangerously clear case histories and the all-too-graphic diagrams can turn any TV viewer, no matter how advanced the condition has become, into a TV-insider, rich, powerful, sought after. No one will be left to watch. TV, so rapidly becoming our major industry, will collapse, and with it our whole way of life." Mead concludes, as usual, with an offer to help us stamp out his book.

Of course, we had to read the book first to determine whether it was worth stamping out. After finishing it we have to agree with Mead: unless somebody puts a stop to the book, TV may soon gasp its last dying rating.

Look what will happen to people who read Mead's book. They'll read wonderful case studies of how people become successful in TV ("the names are fictitious, but the money is real"). People like the girl who opens refrigerator doors and makes more money than her sponsors; the cowboy who parlayed 12 guitar chords into \$657,000 a year; the news commentator who developed The Pregnant Pause into a 32.7 Trendex and a fortune; the pie-throwing, fun-loving emcee who got his start in a Funhouse—all these and more. They'll read, and they'll all go into TV, lured by the big money. And who'll be left to watch?

Or take the chapters on how to get rich in the TV end of advertising agencies. Mead really gets into gear here, revealing agency men's secrets on how to progress up through media, programming, finally becoming a copy chief or a package owner. It's Mead at his best, which means reading at its best, and agency men at their worst.

\*How to Succeed in Business Without Really Trying; The Magnificent MacInnes; Tessie, the Hound of Channel One; The Big Ball of Wax.

We, too, would like to help stamp out this dangerous book. We advise every agencyman, everyone in TV, to buy at least one copy. If we all pitch in we can rid the book shelves (at \$3 a throw) of this threat to the industry.

## Red reading

After prolonged haggling about distribution costs, the U.S. and Russia have finally arranged that reciprocal agreement to distribute the Soviet magazine, USSR, in this country and to do likewise in Russia with our Russian-language magazine, Amerika.

We got our first look at USSR last fortnight, and we don't think that Messers Luce, Cowles, Smith and their confreres need lose any sleep. USSR has lots of pictures, presented in a fairly rigid layout formula, with measured helpings of sport, atomic science, art, ballet, motion pictures, and essays on daily life—which, despite soft focus color photographs, still appear drab. There is one slight touch of off-beat matter (a cat playing with a camera) and a few mood photos. The only thing really missing is politics.

The formula is excruciatingly familiar, and appears to be copied after at least one well-known U.S. mass circulation picture magazine. But Russian editors haven't captured that sense of urgency and immediacy that our editors strive for. There's precious little in USSR that shouts to be read. In short, it's Life with all the blood drained out.



The most striking characteristic of USSR is a sort of fuzzy goodwill. The language is childlike ("Good morning, dear friends. These words sound kindly in all languages of the world"), the style flat, the content almost innocuous.

Summed up, USSR has the air of a poorly written fairy tale.

## Flotsam & Jetsam

- In St. Louis (Mo.), a swanky motel boasts in its ads of a "carpeted swimming pool."
- In Wheeling (W. Va.), a barber shop posts this sign: "Haircuts, shaves and shampoos—in English, French, German, Spanish or silence."



# GE's new appliance marketing strategy

- Early this year GE cut prices of its small appliances.
- It did so by cutting distributor and dealer profit margins.
- Sametime it had an over-all plan for "volume" selling.
- Here, after a year, are results of the strategy so far.

**R**OUGHLY a year ago, General Electric's Housewares & Radio Receiver division head William H. Sahloff made a tough decision. By chopping profit margins at all distribution levels — manufacturer, distributor, retailer—he chopped list prices on every single portable appliance the division produces, including vacuum cleaners. His idea: to bet for profit on volume sales, rather than the industry's traditional high markup profit concept. Also for nearly a year, one question has burned in the industry which has yet to swallow GE's thinking: how well has this controversial move paid off—both in sales and in maintaining "complete" distribution?

➤ Although it's early to be wholly certain, the sales pay off has apparently surprised even GE itself. It's a good guess that the Housewares division's, total sales, which doubled between 1951 and last year to \$150 million annually, are nearly 30% ahead of 1955's sales, compared with an industry average increase of 20%. Says the GE division, which does the bulk of its business in the price-cut portable appliances, it will release statistical evidence in January to prove the value of the volume selling concept.

But even now reports trickling in from distributors tend to support its claims. President Samuel Fingrudt of Everybody's Supply Co., a Philadelphia distributor stocking 5,000 stores, reports that sales of GE housewares are 30% ahead of last year. Adds Clifford Farmer, vice-president of Gould-Farmer, Syracuse distributor serving 1,000 stores: "There is no question that our sales volume on General Electric appliances has increased far more than enough to cancel out lower margins. This is also true in our stores."

Some specific instances of GE's new marketing prowess: besides a long-time claim of first sales place in irons, grills, electric blankets and clocks, the Housewares & Radio Receiver division claims that its mixers, in fourth industry place a scant three years ago, are pressing

Sunbeam's mixer, the top seller; its portable mixers, introduced four years ago, are now in top sales pot; coffee makers are beginning to rival Universal, the sales leader; skillets are hot on the heels of Sunbeam; and vacuum cleaners, once around seventh in the field, are selling with leaders like Electrolux, Hoover and Lewyt.

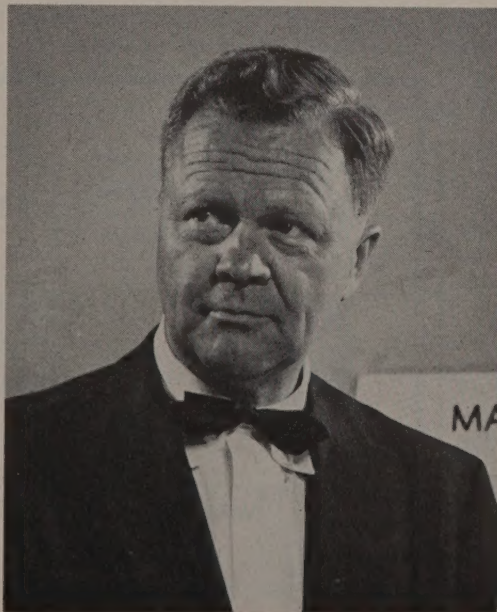
➤ The story behind successes like those for the nation's sixth largest company and third largest employer, began five years ago when GE president Ralph J. Cordiner set in motion his far-reaching plan to decentralize the company whose total sales last year were \$3 billion, net profit: \$200.9 million).

Before the decentralization, for example, the group handling big and small appliances suffered from the basic management problem afflicting all GE divisions: centralized authority made it almost impossible to make quick marketing decisions, particularly at the operating level. While smaller

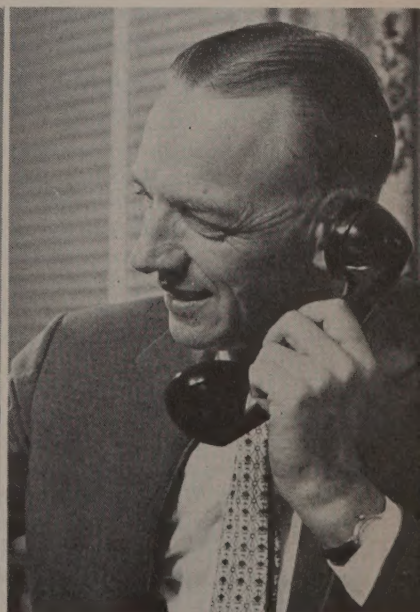
competitors maneuvered in the marketplace on a moment's notice, one man, for instance, was responsible for all GE's appliance advertising (as the chart accompanying this article shows, each of the five departments in the Housewares & Radio Receiver division now boasts a merchandising manager who handles the advertising for the lines his department produces). In short, management functions once were supreme — engineering, manufacturing, sales etc. Today, organization is based on product fields, with management functions decentralized accordingly.

Today's decentralized management aims, in Cordiner's words, at allowing each department (GE's 22 divisions have nearly 100 independent departments) to engage in a business that is simple enough for "one man to get his arms around." While William H. Sahloff is in charge of GE's Housewares division with the title of vice-president & general manager, the general managers of each of the division's five departments (see chart) operate almost autonomously.

➤ Decentralization at the departmental level is only part of the story. Cordiner set up 10 service divisions, the heads of which report directly to him. Their primary responsibility is to insure the continuing growth of the General Electric Co. by thinking ahead—five, 10,



**Consumer products' Johnson**  
*Today's saturation concept is wrong*



**Marketer Borch**  
*He's studying GE's distribution*



even 25 years ahead. For example, long-term marketing thinking for all GE divisions falls on the shoulders of marketing services vice-president Fred J. Borch. His job, basically, is to look ahead toward long-range marketing objectives for GE as a whole, to provide expert marketing advice to division heads, to department general managers and to department marketing managers. He also appraises the effectiveness of the company's marketing efforts.

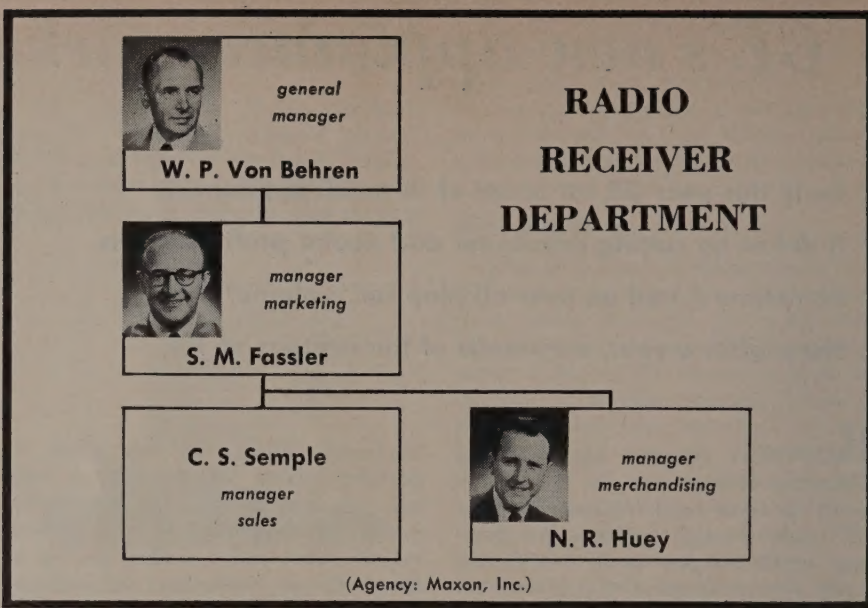
Borch has a relatively small staff of specialists and consultants in what GE considers to be the seven main fields of marketing: marketing research, product planning, advertising & sales promotion, sales, product service (repair of GE products), marketing administration and marketing personnel. He also has a staff of regional customer relations men, called commercial vice-presidents, who maintain relations with key customers and potential customers in their particular geographic areas.

➤ Probably the most significant example of the work in progress by Borch & staff is a vast distribution study which further highlights the importance GE places on distribution. Sahloff himself studied distribution for 18 months before deciding to cut prices. While early results are encouraging, the full effect of the new policy is, as Sahloff says, yet to be felt.

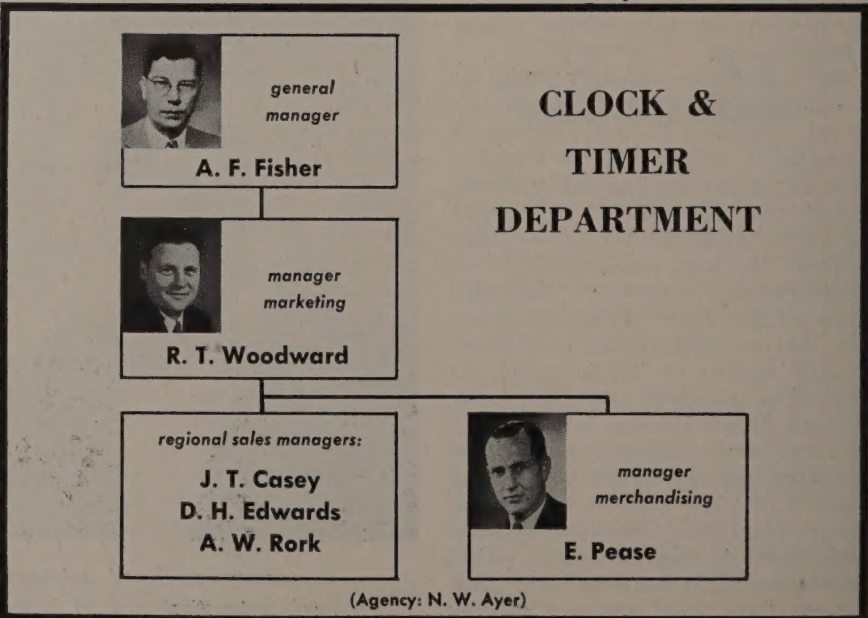
Sahloff's new pricing policy clearly aims to implement the Housewares division's basic marketing philosophy: sell to everyone, everywhere. To Sahloff, such a philosophy demands that the division wage a full-scale assault from at least three different marketing directions. First, the division must achieve the widest possible distribution—which means every possible outlet from appliance dealers, department, jewelry and hardware stores, to drug, variety and mail order chains, even auto supply stores. Second, the philosophy of selling to everyone, everywhere requires the heftiest advertising campaigns possible, both to pre-sell on the national level and to move goods locally for each of the division's 100,000 dealers (see accompanying box for the division's ad strategy). Finally, the division's mass marketing philosophy requires a pricing policy which will penetrate every income level, yet keep the dealer running a profitable business.

Clearly, Sahloff's appointment to his present job in early 1953 marks a turning point for the division. It is true, of course, that Cordiner's decentralization policy had put the division on the road toward mass marketing.

But the division's current marketing philosophy particularly reflects the



## How General Electric's Housewares & Radio Receiver division's marketing is organized.





## AUTOMATIC BLANKET AND FAN DEPARTMENT



general  
manager

**R. O. Fickes**

**D. L. Mac Cuaig**  
mgr.—distributor  
services



manager  
marketing

**D. T. Meskill**

**P. L. Richards, Jr.**  
manager—sales  
fans

**F. H. Keswick**  
manager—sales  
auto. blankets

**J. B. Brawley**  
manager—sales  
heating pads  
vaporizer



manager  
merchandising

**G. S. Lenox**

(Agency: Young & Rubicam)

## VACUUM CLEANER DEPARTMENT



general  
manager

**R. A. Orr**



manager  
marketing

**J. C. Hunt**

**D. E. Perry**  
manager  
sales



manager  
merchandising

**R. J. Cunningham**

(Agency: Young & Rubicam)

**W. H. Sahloff**  
vice-president  
& general manager

## PORTABLE APPLIANCE DEPARTMENT



general  
manager

**W. H. Dennler**

**J. M. Sammet**  
mgr. customer  
relations

Finance  
Engineering  
mgrs. of  
Advanced engineering  
Manufacturing  
Employe & community  
relations



manager  
advertising  
& publicity

**M. M. Masterpool**



manager  
marketing

**J. F. Stark**

**D. S. Beldon, Jr.**  
mgr.—national  
accounts

regional  
sales  
managers

**C. W. O'Donnell**  
**E. T. Carvill**  
**J. P. Evans**  
**M. M. Wheeler**  
**E. F. Vickery**



manager  
merchandising

**C. T. Hindle**

product planning  
(Cal Grazer)  
mgrs. marketing research  
of (not appointed)  
product services  
(Gordon Benson)

(Agency: Young & Rubicam)



strong retailing background of gregarious, 46-year-old Sahloff. Once a newspaper ad manager, Sahloff has held jobs as housewares & appliance buyer for L. Bamberger & Co., general merchandising manager, then vice-president of Montgomery Ward, president of NESCO, Milwaukee housewares & appliance manufacturer. He joined GE in 1950 as general manager of what was then the radio & TV department.

➤ Sahloff considers himself primarily "an advisor and counselor" to the general managers who, under decentralization, boss their departments as if they owned them (the general managers confer, of course, with Sahloff on overall policy). Each general manager's major job is to set the sales goals of his department and then carry them out at a profit. To help, each has a marketing manager under him. While it's the job of the general manager to coordinate the work of the marketing manager with the managers of engineering, manufacturing et al., the marketing manager is responsible for coordinating everything affecting sales of his product line from product design and market research through sales and advertising. Each of the five departments thus forms an effective marketing team, empowered to make day to day decisions.

So decentralized is the organization that when Sahloff advised the price cuts on appliances last year, only the general managers of the portable appliance department and the vacuum cleaner department elected to go along.

➤ There are, of course, some exceptions to the policy of complete decentralization. Because of the division's immense ad budget, for example, responsibility for coordinating the purchasing & scheduling of national advertising falls on the shoulders of 32-year-old ad manager Michael Masterpool. It is up to Masterpool, for instance, to coordinate the national advertising programs of each of the five departments.

Coordinating advertising with Masterpool are each of the five department's merchandising managers. In all, explains Masterpool, "Each merchandising manager spends about 50% of his time in daily contact with the account men from our three advertising agencies. The rest of the merchandising manager's time is spent on preparing co-op ad material for distributors and dealer and sales promotion material for our salesmen." Masterpool, who also acts as an advisor to all five merchandising managers, works out final plans.

Just as the division's increasing advertising vigor (budget is up 25% this year) reflects, in effect, Sahloff's knowledge of what it takes to sell at point-of-

sale, so does his distribution philosophy. Devoted to a policy of the widest distribution possible, Sahloff pushes, for instance, multiple distributorships to the hilt, using simultaneously both company-owned distributors and independent distributors in virtually every sales area. This is in distinct contrast to the policy of GE's major appliance division which is now working out exclusive territories for its distributors and which also franchises dealers.

➤ Since he's been in the job, Sahloff has made two significant moves to bolster and widen distribution at the retail level. Capitalizing further on decentralization, Sahloff set up five dif-

ferent field selling forces, one each for each division department. Prior to this move, one salesman in the field handled all the small appliance line, often pushing the high profit items, giving the others the brush-off. Today, all that is changed.

To adjust to varying distribution channels for each line, the division has, for example, an automatic blanket salesman calling on the soft goods buyer in a department store while a portable appliance salesman calls on the hard goods buyer in the same store. Recently, Sahloff refined this policy another step: each set of salesmen under each department marketing manager

## GE's small appliance ad plan

**P**UT most simply, the marketing strategy behind General Electric's Housewares & Radio Receiver division is this: sell GE small appliances to everyone, everywhere. "To us," says the division's ad manager Michael M. Masterpool, "every wired home is a prospect." Masterpool's basic job is to figure out how, in his words, "to reach the greatest number of prospects at the lowest possible advertising cost."

This year, the division will spend roughly \$6,000,000 on national ad-

\*GE, of course, is among the nation's largest advertisers: through its 20 advertising agencies it buys national advertising worth at least \$30,000,000 a year (that's not counting co-op), which places it in seventh rung on the national advertising ladder—behind General Motors, Procter & Gamble, Ford, Chrysler, General Foods and Colgate-Palmolive, all of which are predominantly consumer product marketeers.



This GE ad prominently features price—a departure GE thinks is a good one since (1) the prices are the lowest they've been in recent years and (2) the products are available everywhere at lower prices, not just in discount houses.

vertising, plus another \$9,000,000 on co-operative advertising—a budget division which shows where GE thinks the real sell is needed right now.\*

This year's budget is roughly 25% higher than last year's, another significant policy.

Small appliance marketer Masterpool divides the division's massive small appliance budget about equally between print media and network television. As for which products are advertised in which media, Masterpool says this: "We apply TV to big volume products that easily lend themselves to demonstration on the medium. Thus, GE appliances such as steam irons, vacuum cleaners, mixers and skillets get the big TV play (each averages 20-25 commercials a year on each of two GE network TV shows). Sametime, appliances such as clocks, toasters and coffee makers are advertised in magazines and newspaper supplements.

"We launched our portable mixer three years ago on television only," says Masterpool. "We got consumer acceptance quickly, and its sales record has been wonderful. With print media, the build-up period takes longer. Although now we back up the mixer with magazine ads, the product still requires mass exposure and that means TV. However, how would you demonstrate clocks or coffee makers on TV?"

The division heavily uses general women's & home and farm magazine for its appliances. On network TV "we go after the late-viewing adult audience" plus a combination audience of children and adults. To appeal to the former, the division alternately sponsors CBS-TV's 20th Cen-



has a group of retail sales promotion men working with him to set up in store displays and to help the retailer advertise GE products more effectively.

Sahloff's second major move to bolster retail distribution occurred last June when he brought in Julian M. Sammet, formerly president of Milwaukee's Boston Store, as manager of customer relations. Sammet, who reports to portable appliance department general manager W. H. Dennler, has the big job of gaining greater acceptance of the division's products & policies in department stores and major chains (Sammet) in addition personifies a Sahloff plan to staff, in a consulting

capacity, the division with men who are trained to think from the retail viewpoint).

Sammet's admitted major roll as a contact man to gain acceptance among department stores of the division's pricing policy highlights the importance of that new pricing policy to GE. Department stores especially rely on high markup to meet the expenses of their various services from charge accounts to home delivery. Sametime, they are a vital part of distribution today.

➤ When you get right down to it, the new pricing policy is the cornerstone on which the whole small appliance

marketing strategy rests. The most dramatic example of GE's price cuts is in vacuum cleaners. First, GE cut its price to the distributor from \$33.93 to \$27.23. The distributor's price to the retailer was cut from \$44.42 to \$33.72, with the distributor's margin down from \$10.49 to \$6.49. Finally the retailer's price to the consumer was cut from \$69.95 to \$49.95, with the retailer's margin dwindling from \$25.53 to \$16.23.

What Sahloff thinks, of course, is that production ability for small appliances is ever increasing, but at a faster rate than sales are increasing. "We must change our thinking from the old concept of percent profit to the new concept of greater dollars of profit, which comes from selling larger volume." So far, many competitors in the industry have met GE's price cuts, but not one has chopped distributor or dealer profit margins. Sahloff, however, is confident that his division will eventually put his concept across volume, instead of margins, especially in view of its sales results so far.

➤ Sametime, Sahloff believes that GE's policy is effective for retailers large & small, which seem to be going along with GE. First, he believes that through national advertising, through packaging, through taking over much of the product servicing job, manufacturers "have shouldered more & more of the functions historically assumed by retailers." Since manufacturers do more such selling for retailers, it's clear to Sahloff at least that retailers can stomach a cut in their traditional unit margin. Just as important, GE stoutly enforces fair trading at the new low prices—thus assuring all retailers that there'll be no further price cuts. For GE, that means that every possible retailer can stock its products—the small don't have to worry about the big, and neither has to worry about the discounters. And their price for consumers is not joltingly higher than discount prices of competing products.

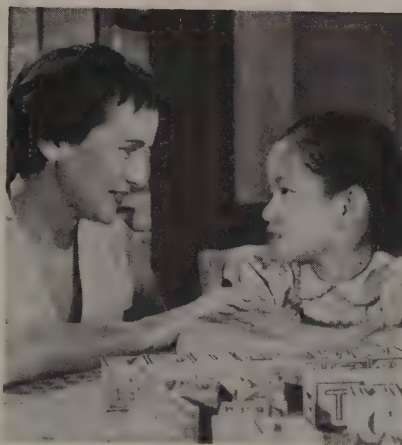
➤ Neither Sahloff nor his immediate superior, executive vice-president Roy W. Johnson, head of GE's Consumer Products Group, worries over whether the consumer will continue to buy, assuming price is right and product everywhere. Says Johnson optimistically "We have been thinking in terms of statistical marketing saturation based on a one per home proposition. This is a fallacy. Americans are progressing to a two car, two telephone, two TV set, two refrigerator (one a freezer), two range (one electronic) scale of living." Next to Johnson: "millions of families with not one home but two," hopefully all stocked with GE appliances. ■

tury Fox Hour (10 p.m. every Wednesday) in 98 markets. GE's Housewares division, principally the Portable Appliance Dept., gets two of the 72-second commercials each broadcast, while GE major appliances get the other three. For a combination, the division buys ABC-TV's bi-weekly hour-long Cheyenne, a western show airing at 7:30 p.m. "The main character," comments Masterpool, "is a God-fearing, rugged character GE likes to be associated with."

In a complicated deal with Pond's-Chesebrough, GE Housewares gets two of the minute commercials on Cheyenne each week, GE's lamp division gets two and Pond's-Chesebrough gets two. On the alternating week, Pond's gets four commercials on Conflict (produced, like Cheyenne, by Warner Bros.) while GE Housewares and GE lamps each get one. Thus GE Housewares are advertised twice every week—once in the early evening, once in the late evening.

GE, of course, gives special pushes to some products: next summer, it will probably push its fans on spot radio. It tested the medium last summer, liked results. "We got special weather reports from a private service, dropped in our spots when the weather got hot."

The division's co-op ad program (newspapers get 85% of co-op money) works this way: each department gives GE distributors a fund in proportion to the distributors' purchases from the department. Usually, GE will pay two-thirds of the co-op ad, with the distributor who makes his own arrangements with dealers, splitting the rest with the dealer. GE likes to run omnibus ads, with an R. H. Macy and small retailers all advertising together. Masterpool thinks that sort of ad helps small dealers who then gain the prestige of being in



GE uses magazines for products like clocks, which are not easy to demonstrate, puts the other half of its budget into net TV for irons, vacuum cleaners, etc. It uses two programs for its small appliances, one to reach adults, one children, too.

the same ad as a big name. GE's Housewares division can do that since it vigorously enforces fair trade — though with a policy that's significantly different from its competitors' (see accompanying article). ■



what U.S.  
business  
spends to  
advertise

and disposable income came to \$82.4 billion—a difference of a scant \$5 billion. Last year, however, the national income totaled \$324 billion while disposable income came to \$270.6 billion—a difference of a huge \$53.4 billion. That gap, of course, represented mainly the amount of the total that went into taxes and just wasn't available to the advertiser no matter what he did.

➤ There's a much more realistic way to find out how much U.S. business spends to advertise. That is to assume that business advertises to reach disposable personal income, to turn that into actual consumption expenditures.

Figures on disposable income are, of course, readily available. The real problem is to find accurate advertising figures where dangers of inaccuracy and inflation are at a minimum. Figures on national advertising—at least on that carried by the major media—are measurable, are reliable and are available. If you relate the two—national advertising to disposable income—you get a ratio whose theory is realistic and whose basis is sound. It relates the two things that are related, in fact, since advertising is purchased to attract disposable income and to channel it into spending for products & services.

The chart accompanying this article traces the ratio of national advertising to disposable income from 1950 to last year, and it includes the averages for the years 1947-49 and 1937-39. The advertising figures, based on one-time gross rates for each medium, come from the standard advertising sources.

These sources are, of course, the ones regularly used by the advertising industry. Thus the figures are comparable with other statistical jobs done from time to time by the advertising business and the media serving it.

➤ This new ratio hardly has the "sex appeal" of the older ratio (of total advertising to national income) because it runs considerably lower (1% to 2.8%). But it is more realistic, more reliable and it has more meaning for those in the business of marketing goods. It does not mean much (even if it could be proved) that business last year spent 2.8% of the national income on advertising—and to some that figure may seem high.

But it can be proved that national advertiser spent only 1% of disposable income to promote their goods & services last year—and to anyone that figure, even though it is creeping upward, must seem low.

FOR years economists have used the same tried & tired yardstick to measure how much business spends to advertise. Ask the economists what business spent to advertise last year and they will answer roughly 2.8% of the national income. What does that mean? Simply that the total amount spent for all forms of advertising in 1955 was an estimated \$9 billion; the national income amounted to \$324 billion, and the ratio between the two was 2.8%.

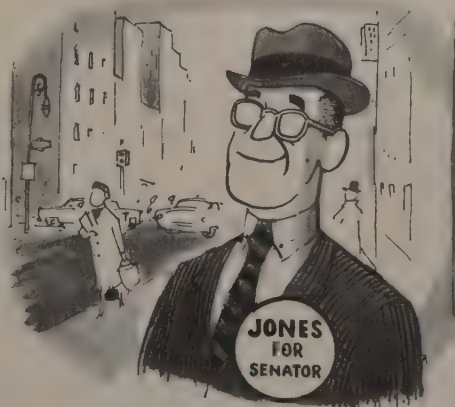
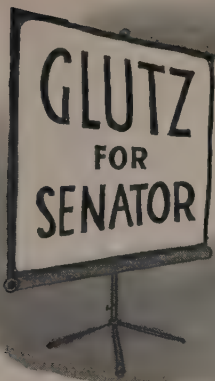
While surely no one can disagree with the urge to describe advertising's financial place in the economy, one can disagree with the specific yardsticks the economists continue to use for their task. In the first place, there is the questionable accuracy of the available figures on total advertising. For some of the media included, only estimates are available. And in the total, too, are estimates for such unmeasurable items as art and production costs for print media and talent and production costs for broadcast media.

In the second place, even if such figures were accurate, it is hardly practical today to relate them to total national income. That might have been plausible years ago when the national income in 1929 totaled \$87.4 billion

Ratio of national advertising to disposable income			
YEAR	DISPOSABLE INCOME	NATIONAL ADVERTISING*	RATIO
1955	\$270,600,000,000	\$2,753,800,000	1.00%
1954	253,500,000,000	2,450,600,000	0.96%
1953	250,100,000,000	2,327,500,000	0.93%
1952	236,900,000,000	2,066,000,000	0.87%
1951	222,600,000,000	1,871,200,000	0.84%
1950	204,300,000,000	1,645,700,000	0.81%
1947-'49 average	181,424,000,000	1,387,800,000	0.76%
1937-'39 average	68,896,000,000	489,800,000	0.71%

\*Figures cover these media: business publications (source: Associated Business Publications, Inc.); newspapers (Publishers' Information Bureau); newspapers (Bureau of Advertising and PIB); outdoor advertising (Outdoor Advertising, Inc.); spot and network radio (Stations Representatives Assn. and PIB); spot and network television (Broadcasting and PIB).





BOOTH





Campbell-Ewald's Austin Chaney and Chevrolet's James Conlan and Jack Thornhill await the start of the Alcan Highway run.



Six trucks, ranging from a 1/2-ton pick-up to a 2 1/2-ton trailer-truck, covered the rugged 1,520 miles in 44 hours, 45 minutes.



Photographer Gilbert Williams, agency men Chaney and Bob Woodburn, and GM's A. C. Clifford discuss the travel schedule.

## Chevrolet trucks' admen travel the Alcan for ad ideas

**W**HAT does it take to create a powerful ad campaign? General Motors' Chevrolet Commercial & Truck Dept. thinks it knows: first, a good idea. Chevrolet trucks' agency, Campbell-Ewald, sought a dramatic setting for performance tests for the 1957 trucks, suggested Alaska's Alcan Highway—a rugged, tortuous, 1,520-mile road stretching from Dawson Creek, British Columbia, to Fairbanks, Alaska. Next came approval from the client's advertising committee—not just of the idea but for the money to carry it out. Finally came rugged advertising and agency men, who'll go on the trip, sleep outdoors, swat mosquitoes, side-step bears—and stay sharp by keeping their minds on advertising copy and artwork.

For its 1957 truck campaign, Chevrolet transported six trucks (1957 models equipped for secrecy with 1956 bodies) and 150 men to and from Dawson Creek where the testing began and ended. Beforehand, food for the entire trip was bought, survival equipment (including guns) collected, an arrangement after arrangement worked out with customs officials, refueling locations, motels where available and unions (one union had to be persuaded to let photographers camp out).

Heading up the operation were James E. Conlan, assistant manager of Chevrolet's Commercial & Truck Dept., and Jack L. Thornhill, in charge of Chevrolet's truck advertising for Campbell-Ewald. Also on the expedition: Chevrolet engineering's Claire Caswell who was in charge of the mechanical operation and drivers; A. C. Clifford, general sales manager for trucks, General Motors of Canada; Robert Woodburn, Austin Chaney, Charles Felt and Jack Strohm (of (respectively) Campbell-Ewald's radio-TV, truck advertising copy and publicity departments. Rounding out the crew were the drivers (three to each truck), mechanics, still a



Chevrolet and Campbell-Ewald staffers took time out from slapping mosquitos and avoiding bears to pause for a photo at one of the camp sites.



# '57 CHEVROLET



SEE YOUR AUTHORIZED CHEVROLET DEALER

motion picture photographers, and representatives of the American Automobile Assn. which certified results of the run.

When the run finally started, so did the problems. First, the start had to be delayed one day, due to a washout. Once the party arrived at a refueling stop five hours ahead of schedule, had to wake up an entire motel to find the gas station owner. Three members of the expedition, flown to Fairbanks, landed at a military air base and were held at gun point inside the plane for nearly two hours until a customs man arrived and cleared them. Mosquitoes were unbearable, and the crew had to apply mosquito repellent every half hour to prevent being eaten alive.

After the group arrived at Fairbanks, the trucks were changed over into 1957 models, and photographs taken on the way back. After the photography, the trucks were changed back to 1956's again, the work being done at camp sites along the route.

Out of the Alcan run came Chevrolet trucks' new ad campaign, pegged on the theme: "Champs of every weight class; tested and proved on the Alcan Highway." The theme was carried throughout all media used for the campaign: newspapers, magazines, business publication, radio, television, outdoor, direct mail, dealer films and point-of-sale.

And Campbell-Ewald, proud of its part in the campaign, planning an ad of its own (see cut).

This outdoor poster is only one of many ads that will tell and retell the story of the Alcan Highway test.



Have parka.  
Will travel.

There's a lot of other things you need to have when you're going to travel. You need a good map, a good compass, a good first aid kit, a good sleeping bag, a good tent, a good stove, a good fuel source, a good food source, a good water source, a good shelter, a good communication system, a good transportation system, a good navigation system, a good survival system, a good defense system, a good offense system, a good intelligence system, a good logistics system, a good support system, a good command system, a good control system, a good coordination system, a good cooperation system, a good collaboration system, a good communication system, a good transportation system, a good navigation system, a good survival system, a good defense system, a good offense system, a good intelligence system, a good logistics system, a good support system, a good command system, a good control system, a good coordination system, a good cooperation system, a good collaboration system.

CAMPBELL-EWALD Advertising

Campbell-Ewald, proud of its idea and participation in the Alcan run, prepared this ad on its part in the campaign.



James Conlon, assistant manager of Chevrolet's Commercial & Truck Dept., sports the start of a fine beard which he grew on the expedition.



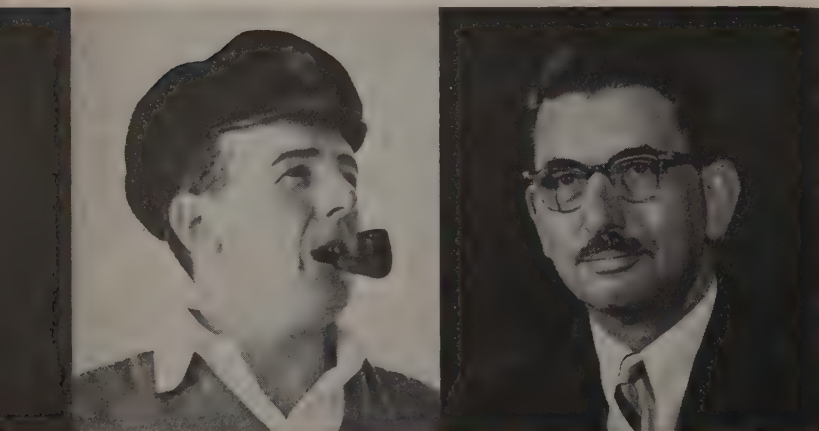
The motion picture crew, shooting for a dealer film and TV spots, battled some rocky terrain to get set for some action shots.



# NEW FORMULA

## for magazine selection

*The accompanying article by Messrs. Jaeger and Flood is an effort to translate agency media recommendations into terms which the average business executive can evaluate in approving an advertising budget. The authors have used the formula described here with success in selecting magazines for an advertising schedule and will continue to use it. The formula is not designed to take the place of judgment and experience; however, it is capable of widespread application and should be of particular use to larger advertisers.*



**By Clayton Terry Jaeger,**  
in charge of advertising,  
Kennecott Sales Corp.  
and

**Dr. Merrill Flood,**  
associate director,  
University of Michigan's  
Engineering Research Institute

**T**HE selection of magazines to carry a given advertising campaign is of prime concern to both agency and advertiser. The recommendation is generally made by media specialists who apply their experience and professional skills in determining a media list. It is often difficult, however, without some quantitative measurement, for these specialists to explain in concrete terms why one publication was selected over another.

➤ Magazines, with their relatively stable & measurable audience, lend themselves to a systematic type of analysis. It is the purpose of this article both to suggest a method of determining which publications would be the most appropriate to carry a particular advertising message and to provide a justification for the choice.

The method can provide a rating or score for each publication considered and indicate the factors which cause one publication to rate higher than another. The ratings for each magazine may vary considerably depending upon the nature of the campaign, its objectives, the targets and the industrial and corporate background it represents.

This rating system is an example of a new activity called "Operations Research," which has been successfully applied to many business management areas, such as inventory control and production planning. The techniques of "Operation Research" have as yet had little or no application to problems of advertising management, perhaps because these problems are basically more intangible and require a greater degree of human judgment. Quantitative techniques, such as the media selection method described here, soon may bring "Operations Research" skills to bear on many advertising problems.

➤ Here is how the method would work. A list of all of the magazines which could possibly be considered for an advertising campaign would be compiled and the following characteristics of these media would be tabulated:

- 1) Cost per 1,000 primary readers per page. Obviously, the cost per 1,000 primary readers of any magazine is an important consideration in establishing a media list.
- 2) Cost per 1,000 total audience. Rating a magazine for its total audience takes into account the fact that one magazine, each copy of which is read by five people, offers certain economy over another magazine, each copy of which may be read by only two people.
- 3) The income of the individual reader. The income of the reader of a magazine is an indication both of the type



of merchandise he can afford to buy and of his position in society. Surveys have been made of the median income of magazine audiences. Since this is the income of the group in the middle with equal numbers of higher and lower income readers on either side, median income has been taken as the best indication of the income group reached by a publication.

4) **Total income of all the readers of a magazine.** Total disposable income of readers of a magazine when considered in relation to the cost of reaching these readers gives a measure of the potential market reached by the advertising dollar.

5) **Ratio of male to female readers.** Application of this rating would tend to eliminate women's magazines for a campaign appealing primarily to men and vice versa.

6) **Percentage of heads of household readers in the professional, technical and proprietor groups.** The percent of the readers of a magazine who fall into these groups will influence its effectiveness particularly for campaigns of a corporate nature.

7) **Percent of readers 26 years of age and over with college educations.** A campaign involving a concept which may not be too easily understood would be better received in magazines with high percentages of college-educated readers. There are many such cases where the educational level of the reader is important in media selection.

8) **Compatibility of the contents of the magazine with advertisements.** The content of the magazine provides the background in which an advertisement will appear. Perhaps the most controversial and at the same time the most important single consideration is the compatibility of the editorial position of a magazine with the subject of the proposed advertisement. The prestige of a magazine and its influence have an important bearing on its compatibility. In many cases the nature of advertisements usually carried in the magazine will give a valuable indication of its compatibility. Factors such as the length of time the magazine has been published, the publisher of the magazine and the manner in which it gets circulation may be considered.

9) **Visibility of advertisements.** The visibility of advertising in a publication, and thus the potential attention it commands, varies from magazine to magazine. Examples of this might be the ratio of the number of advertising pages to the rest of the magazine, or perhaps the degree of attention advertisements in that magazine normally command.

10) **Mechanical reproduction.** The grade of paper used by a magazine and

TABLE ONE

FACTORS	MAGAZINES								
	A			B			C		
1. Cost per 1,000 readers Rating	\$1.50		19	\$4.50		10	\$7.75		0
2. Cost per 1,000 total audience Rating	\$ .50		20	\$1.50		10	\$2.00		5
3. Income of readers (median) Rating	\$3,000		6	\$5,000		10	\$8,000		16
4. Gross income (based on circulation) Rating	\$600		7	\$1,200		10	\$1,800		13
5. Ratio of male readers to female Rating	1.2		16	1		10	.8		4
6. Percentage of heads of household readers in the professional, technical and proprietors groups Rating	25%		4	35%		10	45%		14
7. Percent of readers 26 years and over with college educations Rating	20%		7	40%		10	80%		16
8. Compatibility of content of the magazine Rating			5			10			15
9. Visibility of advertisements Rating			11			10			9
10. Mechanical reproduction Rating			9			10			11
11. Presence of competitive advertising Rating			10			10			10
12. Additional services provided by the magazine Rating			10			10			10
<b>Total of Ratings</b>			<b>124</b>			<b>120</b>			<b>123</b>

the quality of the reproduction will also vary from one magazine to another. This is a more important consideration for a four-color campaign than a black & white.

11) **Presence of competitive advertising.** The presence in a magazine of advertising by competitive companies is of particular importance. For example, a soap manufacturer might feel it necessary to advertise his product in a magazine used by his competitors in order not to lose the business of that magazine's readers by default.

12) **Additional services provided by the magazine.** Many magazines provide services in addition to printing advertisements. Some, for instance, will arrange for the distribution of reprints to customers or other groups to whom the advertisement is aimed.

The first seven of the above 12 factors are measurable quantities and comparable data are available from Starch, Politz and other sources. The remaining five factors are conjectural and a meeting between the advertising agency staff and the advertiser is usually nec-

essary to arrive at representative figures for the magazines considered.

➤ **The next step is to apply a rating to each of the 12 factors considered based on the data compiled in each case.** This rating is established by assigning an arbitrary average of 10 and then rating the magazines higher or lower than the average. The lowest possible rating is zero and the highest is 20. Obviously, the more desirable the characteristic the higher the rating. Of course, these ratings can only be applied with a specific advertising campaign in mind. Otherwise there would be no yardstick for desirability.

Consider, for example, a corporate advertising campaign aimed broadly at that group of the general public whose opinions exert an influence on the conduct of the nation's affairs. The primary target within this group would be the influential minority who tend to form these opinions.

With the target of the campaign defined, media factors can be viewed in their proper perspective. Magazines



with a high editorial prestige which are read by professional men, officials and business executives will be more appropriate than mass circulation magazines whose audiences largely consist of the so-called average man.

➤ A tabulation of the ratings for a list of three hypothetical magazines would look like Table One.

For the purpose of this table these three magazines are assumed to be part of a list of a dozen or more. Magazine B has been taken as representing the average value for each factor, magazine A as a low cost per thousand mass circulation magazine and magazine C as a high cost per thousand selected circulation magazine.

On the basis of a straight comparison of ratings the low cost per thousand of A and the high income and education factors of C give them a slight edge over B, the average magazine.

For different campaigns, it is possible to establish ratings for additional factors and this would, of course, increase the accuracy of the end result.

➤ One further step is now necessary before this tabulation can be applied to the actual selection of advertising media. Each advertising campaign is conceived with definite objectives in mind and usually with a tactical plan for achieving these objectives. Obviously, some of these media factors will be more important than others for the accomplishment of the objectives of any campaign. The factors must therefore be weighted in accordance with their relative importance.

For the corporate campaign considered in this example, the media factors could be weighted as follows:

Factor	Multiply rating by this weight factor
1) Cost per 1,000 primary readers	2
2) Cost per 1,000 total audience	2
3) Income of readers (median)	4
4) Total income of readers	3
5) Ratio of male readers to female	3
6) Percentage of heads of household in professional, technical and proprietor groups	3

- 7) Percent of readers over 26
- 8) Compatibility of content
- 9) Visibility of advertisements
- 10) Mechanical reproduction
- 11) Presence of competitive ads
- 12) Additional services provided

Multiplying the ratings in Table One by these weight factors gives us the final weighted ratings in Table Two.

The total of the weighted ratings indicates that in spite of its higher cost per thousand, magazine C is a better choice for carrying the advertising campaign cited in the example than either A or B.

➤ Two things must be remembered in applying this technique to an actual media selection problem. First is that the ratings themselves do not give meaningful results until multiplied by weight factors based on the objective and tactical considerations of a specific advertising campaign. They may vary considerably from one campaign to another and yield entirely different totals. Second is that the magazines on the list must be either all general consumer or all business or all trade. Magazines from one group cannot be compared directly with those from another since their functions are different and the tabulation is based upon comparable factors. The more magazines taken from any one group the greater the accuracy of the ratings, and, of course, the final result.

In considering the media list suggested by this system it should also be remembered that neither the duplication of readership among the various magazines nor the frequency of insertions required to achieve continuity of impression have been taken into account. These are separate problems.

➤ This rating system is necessarily subjective and resulting scores should not be considered as final. As the campaign proceeds and the results are periodically reviewed any single factor may be given a higher or lower rating on the basis of new evidence. As results accumulate mathematical analysis will suggest further refinements in the weightings of factors to yield total scores in agreement with relative media effectiveness.

In essence the system provides a logical structure of pigeon holes for each media factor. If any disagreement arises as to the final selection, the area of disagreement can be narrowed down to one or two specific points. This means that the busy executive who is called upon to approve an advertising budget can question media particulars without getting involved in a general discussion. The argument is reduced to manageable proportions.

TABLE TWO

FACTORS	MAGAZINES								
	A			B			C		
1. Cost per 1,000 readers	\$1.50	19		\$4.50	10		\$7.75	0	
Rating			38			20			0
Weighted Rating									
2. Cost per 1,000 total audience	\$ .50	20		\$1.50	10		\$2.00	5	
Rating			40			20			10
Weighted Rating									
3. Income of readers (median)	\$3,000	6		\$5,000	10		\$8,000	16	
Rating			24			40			64
Weighted Rating									
4. Gross income (based on circulation)	\$600	7		\$1,200	10		\$1,800	13	
Rating			21			30			39
Weighted Rating									
5. Ratio of male readers to female	1.2	16		1	10		.8	4	
Rating			48			30			12
Weighted Rating									
6. Percentage of heads of household readers in the professional, technical and proprietors groups	20%	4		35%	10		45%	14	
Rating			12			30			42
Weighted Rating									
7. Percent of readers 26 years and over with college educations	20%	7		40%	10		80%	16	
Rating			14			20			32
Weighted Rating									
8. Compatibility of content of the magazine		5			10			15	
Rating			25			50			75
Weighted Rating									
9. Visibility of advertisements		11			10			9	
Rating			22			20			18
Weighted Rating									
10. Mechanical reproduction		9			10			11	
Rating			9			10			11
Weighted Rating									
11. Presence of competitive advertising		10			10			10	
Rating			10			10			10
Weighted Rating									
12. Additional services provided by the magazine		10			10			10	
Rating			10			10			10
Weighted Rating									
Total of Ratings		124			120			123	
Total Weighted Ratings			273			290			323



# What taste level do marketers aim for?

- Products don't underestimate public taste, says the Panel.
- Most think today's ads aim for average consumer minds.
- But many admit underestimating taste can be profitable.
- And they insist—by 100 to one—their own ads are believable.

**T**HE highly successful products of a major U.S. manufacturer were once described as proof that "nobody goes broke by underestimating the public taste." The implication, of course, is that a manufacturer tends to design a product consumers *will* buy rather than a product consumers *should* buy.

To find out whether this is true—and to determine whether today's advertising plays to the lowest common denominator of consumer intelligence, as has also been charged—Tide went to its Leadership Panel of leading advertisers, copywriters and public relations executives.

➤ Basically the Panel disagrees with both these charges. A majority insists that neither products nor advertising are aimed at the lowest common denominator consumer. But there is a discordant, and discouraging, note: better than one out of three Panelists agrees that their own companies do better by underestimating public taste in products, and one out of five believes all of today's advertising is pitched below the average consumer's intelligence.

The Panel's opinion on product design and advertising break down like this:

- 56% say their companies' products do not represent an underestimation of public taste; 34% agree that their products are pegged to lower taste levels, and 10% have other opinions.

- While 68% believe that most advertising strikes close to the average person's intelligence, only 5% claim it aims above that level—and 20% think today's advertising shoots below the average consumer's intelligence. The remaining 7% offer other opinions.

- When it comes to their own company's advertising, 84% insist it aims close to the average consumer's intelligence. Exactly 12% maintain it shoots above that level, only 2% admit it is directed below that level, and 2% have other opinions.

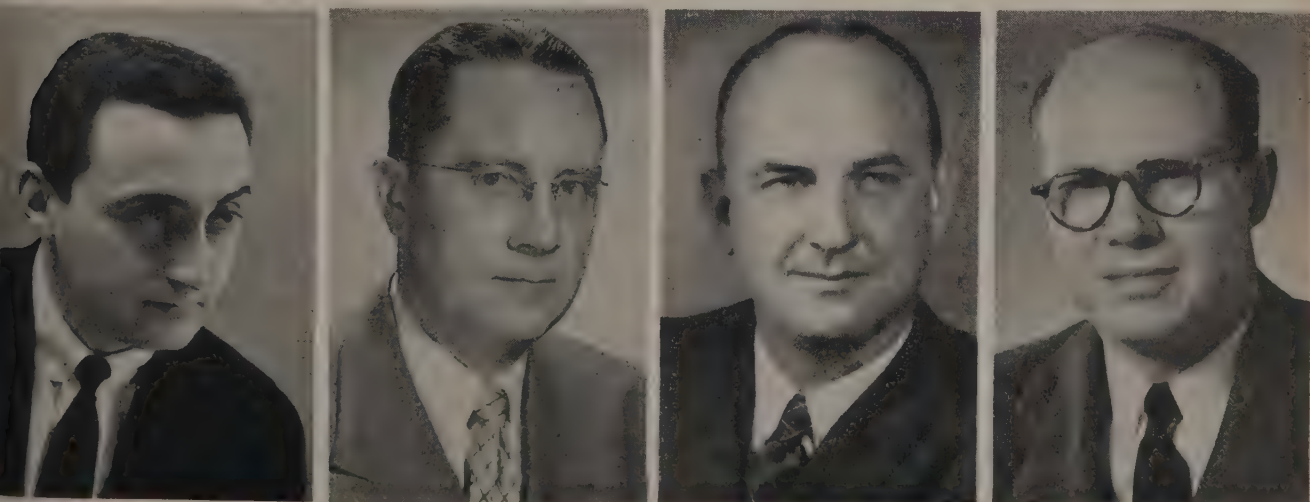
➤ Those who disagree about the low level of today's products believe that it is dangerous for a manufacturer to underestimate consumer tastes and intelligence. To the contrary, most seem

to think that the manufacturer who strives for products in the best taste will reap his just reward. R. C. Garretson, advertising vice-president of Carling Brewing Co., for example, claims that "Advantages accrue to marketers adding good taste to other requirements of good design." Other Panelists, like Philip Lesly, of the PR firm bearing his name, insist that the rising level of consumer taste makes good taste a prerequisite in the design of today's products.

Of the 34% of the Panel who agree that success comes to him who underestimates public taste in product design, most deny that the public sets any standards of taste—or even knows what it wants, or what is in good taste. Many, like J. M. Jewell, ad manager of Arvin Industries, think that "Manufacturers set the patterns that determine public taste."

A good many Panelists point out that other factors—such as the variation of taste from product to product and industry to industry—figure into any manufacturer's concept of consumer taste. Says J. M. Freter, brands & new products development manager of Helene Curtis Industries: "There are as many poor designs in successful products as there are failures due to design alone. An otherwise top marketing job can succeed in spite of poor design."

➤ One of the basic questions raised



Panelists Davis, Berry, McLaughlin, Seitz

Consumers view advertising with much less interest than copywriters





### Panelists Donaldson, Gray, Straight, Ruprecht

*It's dangerous to underestimate public taste and intelligence*

by the Panel is what constitutes "average," whether it be taste or intelligence. Most feel the term is, at best, a purely relative one. A typical comment on this subject comes from H. C. Borschel, Jr., assistant merchandise manager of Brown-Forman Distillers Corp.: "I feel that most of today's advertising is aimed at market groups and that within those groups it comes close to the average person's intelligence." However, adds Sam Cohen, ad manager of Clairol, "Actually, advertising is aimed at the emotions—at the social self-esteem of families and individuals."

That, insists Garth Salisbury, assistant ad manager of Bemis Bros.' Bag Co., is exactly what's wrong with advertising. Says he: "Today's advertising is close to the average person's intelligence, probably, but some of it is an insult to any thinking person and some of it doesn't even pretend to appeal to an intellect but to an emotion."

Marvin Davis, ad manager of I. Miller & Sons, takes a completely different tack. "When I look through mass books like Life, I realize the great strides manufacturers are making in both appealing and educating readers toward a greater taste and intelligence level."

► You should not rate advertising on the basis of intellectual appeal alone, many Panelists insist. Richard Seitz, merchandise research director of Vick Chemical Co., explains that "My research experience leads me to believe that much advertising misses the mark, not so much because it aims above or below the consumer's IQ, but because it presents ideas in a form which is too complicated and too detailed for the busy consumer to digest quickly. Consumers view advertising with much less interest than copywriters."

Do you think, Tide asked the Panel,

that your own company's advertising is really believable? Here the Panel voted almost 100 to one, saying definitely they consider their own advertising believable. Many of them add that their advertising, because of the special markets to which it appeals, must of necessity inspire confidence.

► Here are some Panelists' opinions on the subject of advertising believability:

John B. McLaughlin, sales & advertising director, Kraft Foods Co.: "Our advertising is believable because most of it endeavors to be of service—to 'help' the consumer by showing or demonstrating how our products can help solve a problem or fill a need."

Donald C. Berry, vice-president, McKesson & Robbins: "In the cacophony of shrieking claims you have to shriek too if you want to be heard."

B. R. Donaldson, advertising manager, Ford Motor Co.: "An automobile is the most important purchase in many persons' lives. Usually much deliberation is given to such a purchase. Facts are considered. The advertiser can hardly afford to discredit his product by misleading advertising."

Luttrell Maclin, advertising & PR director, Paine, Webber, Jackson & Curtis: "We aim above average because our customers and prospects are themselves above average in intelligence and education. [My company's advertising is really believable] . . . but everyone doesn't believe it despite the fact that it is rigorously censored for provable factual accuracy."

R. M. Gray, advertising & sales promotion manager, Esso Standard Oil Co.: "Yes, it is believable, and more important than my own opinion, our research generally so indicates."

M. L. Nasatir, advertising director,

Decca Records: "There is a growth factor in most marketing areas that can be confusing. The nation is growing, intellectually speaking. Our ads are aimed at this 'moving market'—people whose standards of living, buying and thinking are on the upgrade."

C. H. W. Ruprecht, advertising & sales promotion manager, Underwood Corp.: ". . . We believe in stating the basic facts of what our products can do to benefit the buyer, even though we may 'glamorize' features."

Margaret Falconer, advertising manager, Eaton Paper Corp.: "Intellectually, our advertising is close to average; emotionally, it appeals to the best in the average person. In 20 years I cannot remember our saying anything in print that we didn't believe in ourselves."

Norman Stamm, advertising manager, Library Guild: [Our advertising is really believable? To an intelligent person, no!]

M. H. Straight, advertising director, Spencer Chemical Co.: "I think we're pretty honest, both in our farm market advertising and our plastics advertising. However, I wonder if we'd be so nice and pure if we had an impulse item in the consumer field."

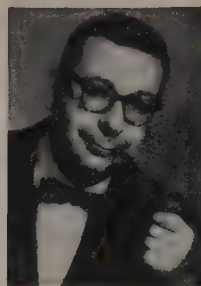
Harris E. Adriance, advertising manager, G.&C. Merriam Co.: "Our company is a cultural institution as well as a commercial enterprise. We have always been careful in the extreme to keep our advertising on a high level."

B. N. Pollak, sales promotion manager, Richfield Oil Corp. of N.Y.: "We studiously try to make it believable. Every piece of copy is submitted to our technical department's very critical review to make certain no untrue or unsupportable statements or claims are made. This tends to keep our copy factually correct and believable."



# ONE ADMAN'S OPINION

®



By  
Lester  
Leber

## Query from California

"Should we be happy?" asks Robert J. Colombatto, of the Mayers Co., Los Angeles. His client, Bandini Fertilizer, ran a newspaper ad under the headline "I once had ants in my plants." Four days later, May Co. appeared in the same paper with "No ants in these plants," for plastic foliage.

Yes, Mr. Colombatto should be happy. If May Co. was deliberately taking off on his copy, as seems likely, they helped to make it a conversation piece. That is certainly one goal of copy as off-beat as Bandini's.

On the other hand, if it was only a coincidence (which frequently occurs in ad approaches), then two groups of creative people arrived at similar conclusions.

If it was just plain imitation, the first to use anything unique in advertising has no cause to be disturbed by flattery's sincerest form.

## Ad of the month

Because it comes to grips with a serious competitive situation in an exceptionally forthright, believable manner, this month's honors go to Bayer (see cut).

Are you paying  
twice the price of Bayer Aspirin...

for pain relievers that are  
nothing more than

**ASPIRIN**  
**"IN DISGUISE"?**

To Feel Better Fast...  
**BUY THE BEST—BUY BAYER ASPIRIN**  
It's All Pain Reliever!

## Ad of the month

The usual reaction in this kind of situation is, "We can't lick 'em so let's join 'em." But Bayer is sticking to its guns, rather than bring out a higher-priced product with "added ingredients."

Bayer stands for something (straight aspirin) and refuses to be stampeded by the success of more recent pain relievers. The company deserves credit for slugging it out in a field where most manufacturers are afraid of taking a competitive story to the consumer over the heads of pharmacists and doctors.

## Bulletin from Bavaria

Not to be outdone by the Brothers Piel, Rheingold Beer is featuring a member of magement. Although his name is not mentioned, he is identified as "our chairman of the board" in full-page newspaper space.

Although Rheingold seems to be serious about the whole thing, it's hard to tell which is funnier, Bert and Harry or the chairman. In August we saw him aboard the Queen Mary about to leave for Bavaria to choose hops. It was sheer comic genius to photograph him not with just one ordinary dog but with two dachshunds on leashes.

I must have missed his September adventures, but I did catch him in October. He is doing his autumn shopping. It is harvest time in Bavaria, and there he is right out in the fields, picking hops with the rest of the farm hands. He looks just a bit out of place because he's as formally attired as he was on the Queen Mary: business jacket, tie and white handkerchief in breast pocket. The dachshunds are not visible, but they may be hopping around under the hop plants which grow quite high.

Where is our chairman now that November is here? Is he back in Brooklyn, or is he supervising the planting of next year's hop crop? I'll let you know as soon as I find out.

## The real estate of the ad business

If you look for office space in mid-town Manhattan, you get an unusual and significant view of how the advertisement business is faring. First of all, about half of the units you look at in old buildings have just been vacated by ad agencies, art studios, photographers, publication representatives or the like. The reason? They're all expanding and moving into larger quarters.

In new buildings, space goes for up to \$10 per square foot. That means some of the larger agencies are spending more than \$1 million a year for rent.

Almost all agencies are overcrowded. If not, they've just moved in. There are cases on record where they've moved out of spanking new quarters within three months because they need more room. By the time a lease is negotiated and premises decorated, they've outgrown the space.

The advertising business in all its phases is good and getting better.

## Swimming, anyone?

On the mourner's bench of manufacturers with seasonal problems there have always been several places reserved for makers of swimsuits. But Rose Marie Reid doesn't believe in sack cloth and ashes.

Last July, this company ran consumer ads for late-summer selling. It was a startling thing to do because most manufacturers and retailers in that field are ready to hibernate by June. (Definition of hibernate: start clearing out stocks at drastic mark-downs.)

And in September, Reid bought a full page in Life "just as summer is settling into memory and the lure of a winter vacation is almost a plan."

Reid's marketing philosophy is that their season never ends. If they make it work for swimsuits, it's hard to see how any company can tolerate hibernation.





▲ Eye-attracting continuous motion is the primary feature of this display designed to promote Westinghouse Electric's new canister-type vacuum cleaner. Motion displays, of course, are not new. But as competition for consumer attention in heavy volume stores grows, there are signs that their use is intensifying. Sametime, retailers, reluctant to accept display material which fails to sell products actively, welcome a well-designed moving display. The Westinghouse display has several other features that meet modern point-of-purchase thinking: it takes no floor space, mounts instead on the actual product (which has to be exhibited in any case); the carousel horses are whirled by air power—from the vacuum cleaner itself, offering some of the characteristics of a demonstration of the product.

Carrying display selling a step beyond motion are point-of-purchase audio devices such as this Heublein bottle display. Lift the bottle and a concealed audio tape delivers a sales message. Similar types of displays operate without any effort on the part of the consumer. As he approaches the display, a tiny photoelectric cell breaks a circuit, activates the sound mechanism. Still others in this group (though still in the experimental stage) release a fine spray of perfume of tempting food odors in addition to the sound. Sametime, the Southern California Retail Grocers' Assn. is testing an interesting audio device for supermarkets. It's an electronic directory board. Push the button marked "desserts," for example, and a voice directs you to the correct aisle, then delivers a plug for Jello. The board can handle as many brand pitches as there are product classifications in the store. The Heublein display is especially interesting because it points up the growing popularity of self-service in package liquor shops. The Heublein effort, incidentally, is still in the production stage, won't be distributed for some weeks.

## New ideas for point-of-sale promotion

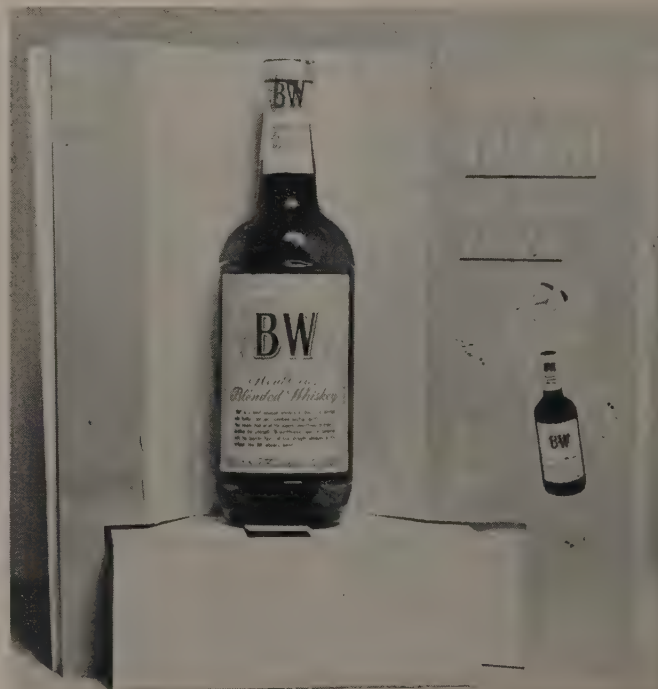
ONCE the step-child of advertising, ignored by agencies and skimped by advertisers, point-of-purchase has outgrown the counter card stage, is graduating into a variety of elaborate devices integrated with the whole of a company's advertising program.

According to Point-of-Purchasing Advertising Institute, expenditures in the medium have grown from \$438 million in 1949 to nearly double that figure (\$830 million) in 1955. Expected total for this year: \$900 million. The reason for this growth is, very simply, the tremendous extension of self-service to all kinds of retailing. In short, self-service takes the burden of selling off the retailer's shoulders and puts it squarely on the advertiser's.

The result has been a gradual de-emphasis of displays useful only as reminders or designed primarily to help retailers deliver a sales pitch. More and more displays are actively engaged in getting a shopper's attention and then in selling the product—without the dealer's intervention.

Sametime, the scientifically organized self-service store is forcing another change in point-of-purchase: counter cards are useless where there are no counters. Since space is at a premium, streamers and banners are going off the selling floor onto the walls and into the air in the form of mobiles. Floor space is allotted more readily if the display stocks a supply of the product, thus relieving shelf congestion.

These are some of the conditions of modern retailing which intelligent point-of-purchase must cater to. The displays on these pages illustrate successful solutions to many of these programs. ■

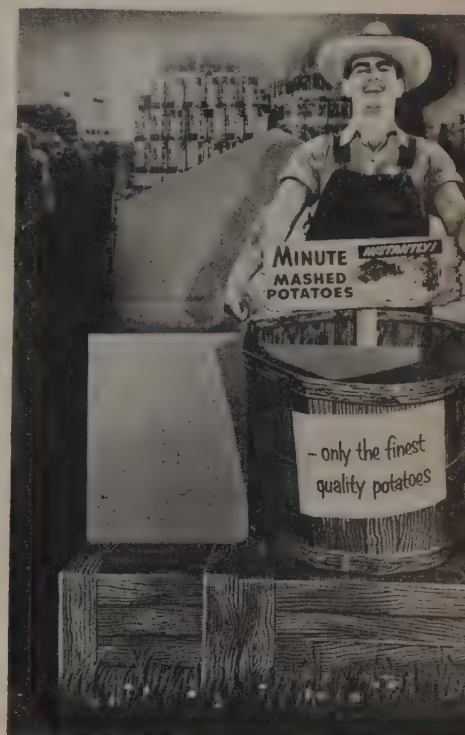






Like liquor stores, hardware and paint stores are just coming around to the self-service idea, and this novel display by E Z Paint Corp. is designed especially to meet that trend. This unit is completely self-contained, needs almost no sales personnel to service it. The retailer doesn't have to know a thing about do-it-yourself paint rollers or even anything about the art of selling. The unit stocks a complete selection of rollers, handles and paint trays. To find out which roller is best for his needs, the customer simply dials the type of wall surface on the selector, matches it with the variety of paint he should apply, and the name of the proper roller cover pops up in the indicator window. The consumer then picks up his roller, handle and paint tray, slips them into a carton which is stocked with the display, and strolls over to the cashier. Says one retailer: "The customers just lay their money on the counter . . . you can't beat that, it's terrific." E Z Paint, with a microscopic ad budget concentrated in point-of-purchase, is the largest manufacturer of paint rollers in the country. A 60-day test of these new units in 300 stores boosted sales 300% to 500%. The units now are in about half the nation's paint stores.

General Foods' Minute Mashed Potatoes display illustrates a growing trend toward dressing up the old-fashioned jumble or basket display. Instead of depending on the supermarket manager to give the consumer that impulse-buying push by tumbling merchandise into wire baskets or green-painted bins, GF supplies this display bin which sells the product as well. The simulated crate used as a base holds an extra supply of packages for easy storage. Only drawback of this unit: its size—three feet high by three feet long. GF's Jello also supplies decorative bins, usually in the form of a huge Jello package.



Drugstores, like the supermarkets, are beginning to get cramped for shelf space. Colgate-Palmolive Co. solved the problem with this elaborate display stocking a variety of Colgate products. The unit combines easy access and prominence with some selling copy. This type of display tends to be less successful in supermarkets since store managers are reluctant to block crowded traffic aisles. Druggists like it because it is most efficient for bulky economy sizes which supermarkets either can't or won't stock. One danger: the retailer may restock the unit with competing brands.

Cartons now turn into display units. This unit for Warner-Lambert's Listerine is simplicity itself: open the carton, pull up the display and stack the packages. It's convenient for both retailer and consumer, provides mass display without effort. In addition, it eliminates slip-ups in display distribution by route men or truck drivers. Schenley distillers began packing bottles this way early this year with a clever lithographed carton (TIDE—March 10). Difference between that unit and Listerine's: Schenley's is purely for display while this one is for actual self-service shopping. The Colgate display shown elsewhere on this page also blooms from the shipping carton.







Don-De's president Weiner  
Timing is the basic key to his strategy

## BON JOUR COFFEE:

### *experiment in pricing*

- There are only two really national coffees.
- Both sell for more than \$1 a pound.
- Bon Jour hopes to go national at 89c a pound.
- Here's a new development in the coffee business.

**F**RANCE'S Talleyrand, between quaffs of wine, once said "good coffee should be black as the devil and hot as hell." While Cleveland coffee importer, roaster & packer M. E. Weiner agrees, he has something of his own to add. Says Weiner, who heads the regional Don-De Coffee Corp. (his Don-De brand sells second only to Maxwell House in the Cleveland area), "What this country needs is a good coffee at a sensible price."

Sensible, to Weiner, is 89 cents a pound, for he envisions a new national coffee brand which he can sell at a profit for a carload price of 80 cents per can. With a 2-cent promotional allowance, and a 2% cash discount a retailer can buy the lot for 76½ cents, thus enjoy a good markup. On most premium coffees (those over \$1) markup is less than 5%, and many retailers today sell coffee as a loss leader. "Let's face it," says Weiner, "the profit a grocer can make on coffee is short of being desirable. This dwindling markup, and coffee is but one example, explains the rush of soft goods and hardware into supermarkets, items on which the retailer can see more profit. But with a national coffee brand at 89 cents with a good markup, I can make the retailer receptive to my coffee."

➤ The brand Weiner envisions as a national seller is not his Don-De, a premium coffee which sells for around \$1.08 in Cleveland, but one which his firm introduced only last summer—Bon Jour ("the French expression for 'Good Day,' and this is certainly a good day to try Bon Jour Coffee"). To capture a share of the yearly \$2.5 billion coffee business means, of course, battling giants like General Foods, Standard Brands. But, declared Weiner with some bravado: "Ie welcome battles. There are only two true national brands—Maxwell House and Chase & Sanborn. There's room for another one."

Weiner, who now distributes Bon Jour in only three cities (Cleveland, Kansas City, Pittsburgh) still has a long way to go to put Bon Jour into coffee cups across the land. Weiner bought into the J. L. Weill coffee importing company as a partner in 1945, bought out Weill in 1955 and called the new company Don-De Corp. (after the one-branded coffee the firm markets — it mainly makes blends for private label brands).

Weiner's chief reason for betting on Bon Jour: he thinks the time is right for such a coffee ("timing is a key part of strategy"). He points out that despite

\*A&P coffees are sold wherever a store is located, and brands like Beech-Nut, Folger, Hills Bros. are distributed widely. Among instant coffees, Borden and Nescafe are national in addition to Maxwell House and Chase & Sanborn.



the price spirals of recent years, this year prices of some green coffee beans have soared as much as 21%, that wholesale prices of some vacuum-packed coffees have risen in price as much as 41 cents a pound. Meanwhile, people want an inexpensive coffee. A survey by the National Coffee Assn. bears him out: "The high price of coffee is the most important factor in shaping housewives' attitudes toward the industry and influencing the pattern of their coffee consumption."

► Weiner hopes to sell in volume by using a combination of good but inexpensive beans, whose flavor will be acceptable to most tastes. "Coffee is a lot like cigarettes. The brew is a matter of taste. If you like it, fine; if not, nothing matters even if it's the most expensive in the world."

In other words, Weiner's Bon Jour

has a flavor which he thinks most people have accepted over the decade he has been brewing special blends and private label brands. And it comes from a combination of beans he says he can buy in quantity — "the right flavor at the right price. Supplies are the key. The trick is to produce a coffee having desirable qualities out of beans in good supply. And most of us get our supplies from the same place—South America. The important thing is to have a continuous supply of material available, and I know where and how to get mine." On it, he doesn't elaborate.

But Weiner has a production problem—he now has only four roasters with a 2,000-lb.-an-hour capacity each. Weiner, however, claims he has a site picked for a new plant, hopes eventually to push production up.

Weiner says he'll push Bon Jour

national much the same way he promoted Chef Boy-Ar-Dee, an Italian style food line, which he joined in 1927, subsequently becoming sales chief. Says Weiner: "I worked to make Chef Boy-Ar-Dee big. I drove 50,000 miles a year and got into every store office in the U.S. worth visiting. I learned things about national distribution and sales I'd never learned any other way. I spent a whole nine months getting into New York City stores, but I did it." After American Home Foods bought Chef Boy-Ar-Dee in 1945, Weiner retired to Florida. That lasted 10 weeks and he joined Weill.

Also to push Bon Jour, Weiner buys introductory ads (via Cleveland's Leroy Lustig, Inc.) in each market on a budget "still as small as a coffee bean." Included are radio spots, carcards and full-page newspaper color ads backed up by twice-a-week 12-inch ads. ■



## new trend

IN KIRKWOOD (Mo.) at the intersection of Lindbergh and Kirkwood roads is the world's largest self-service hardware store (see below). The 53-year-old Central Hardware Company's fifth store and first suburban one (others are in St. Louis), it occupies 50,000 sq. ft., carries an estimated 80,000 items, is divided into three departments: general merchandise, building materials and home modernization (the latter section which includes appliances is not entirely self-service, although customers are encouraged to browse).

"Leaving the customer alone" is the big lure in Central's self-service policy. Says merchandising manager Stanley Cohen: "Our clerks only approach a customer when he is obviously looking for something which he can't find." After six months of operation, Cohen is sure the idea works, has observed this much: 1) "Anything the customer can recognize will sell self-service. If it has been pre-sold through national advertising, so much the better." 2) "Clerks are necessary, but in the self-service store they spend much of their time filling bins and pricing items because each item is price-marked, which it isn't in the four counter-service stores." 3) "The store has more women customers than men and more than any of the other stores. Cohen attributes that to the store's location and some of the lines: gifts, drugs, indoor plants, records and year-round toy department (the other stores sell toys only at Christmas). 4) Self-service encourages impulse buying "tremendously." Cohen says the average transaction is higher at the self-service store than in the counter-service ones. 5) Pilferage "has increased some," but there appears to be no appreciable difference from other stores in relative volume lost in stolen goods.

After an opening ad campaign in radio, newspapers, television and outdoor, Central confines its special advertising for the self-service store to direct mail and to two of the six radio spots it uses in the area each week. The firm also uses regular newspaper advertising but merely lists the self-service store along with its other outlets.







One of IBM's service bureaus which do tabulating on a fee basis

## IBM launches new Service Bureau Corp.

- New company is one result of recent consent decree.
- IBM's service bureaus are now run by separate company.
- The new company plans stepped up service promotion.
- Here are its goals and progress so far.

**I**N 1951, a year before 42-year-old Thomas J. Watson Jr., succeeded his father as president, International Business Machines Corp. grossed \$267 million and netted \$28,000,000. Gross volume last year had doubled to \$564 million with net income doubling, too. Profits in the first nine months of this year—\$49,234,012—are the largest for any similar period in the company's history.

As if such success weren't rousing enough, the nation's largest producer of electrically operated bookkeeping and accounting machines and of specialized equipment for sorting, tabulating and computing statistics hopes to hit \$1 billion in annual volume by 1960. On one hand, IBM is out to achieve that goal with its recent invasion of new markets with new products (e.g., that RAMAC, a memory storage device of the type ordered by the Television Bureau of Advertising for delivery in 1958; a new type of accounting machine, and APR (for Au-

tomatic Production Recording), a data-handling device for inventory control in factories).

➤ Equally worth watching is IBM's plan to put new pep into an old market: it is strengthening its string of service bureaus around the U.S. which do accounting and statistical jobs on a fee basis for companies which do not think their size or special needs justify either purchase or rental of IBM equipment. Started by the elder Watson in depression days, IBM service bureaus never really got the push that IBM salesmen put behind the company's rental business (nearly 70% of the company's gross income comes from rentals ranging from as little as \$10 a month for a simple electric card-punch machine to \$50,000 a month or more for one of IBM's "700" series of computers, "electronic brains" comparable to Sperry-Rand's celebrated UNIVAC).

However, under the terms of a con-

sent decree signed last January (which among other things, provides that IBM must offer its equipment for sale as well as rent, IBM must alter its present service bureau set-up. The result is that on this New Year's Day (after some six months of careful planning) IBM will launch a 1,500-employee, wholly owned subsidiary which will have 8 separate new service bureaus (rather than the present 115), a 150-man sales force and its own ad campaign.



**Service Bureau's Graf**  
*Advertising starts at year's end.*



Under president-elect O. M. Scott, formerly general sales manager of the parent corporation, the new subsidiary (to be called the Service Bureau Corp.) will have a greater range of facilities. By the end of next year there will be three giant service bureaus featuring the "700" series of "electronic brains"—the present "brain" in New York City, a second in Los Angeles, a third in Chicago; 13 more of the 84 bureaus will be equipped with the "600" series of smaller "electronic brains."\*

"Our market falls into two parts," says 42-year-old Charles F. Graf, ad manager of the new subsidiary and a 22-year advertising & promotion veteran of the parent corporation. "One part is made up of small businesses who don't think they're big enough or have enough work to do to justify buying or renting IBM equipment. These people range from medium-size manufacturers, wholesalers and retailers, to banks, small city governments, even advertising agencies. The other half of our market are bigger businesses—like the New York Telephone Co.—which want special jobs done at a modest cost, or have need for more equipment to handle a peak load."

At fees ranging from \$4 an hour for an electric card-punch machine to \$30 an hour for use of the biggest IBM "electronic brain," clients can have reports made up on everything from accounts receivable to market research statistics or media rate studies.

► Starting in January, Graf will try to get that sales story across in a \$300,000 promotional campaign (including advertising in business publications, displays at business shows, brochures). Up to now, plugs for IBM service bureaus were included in the parent company's institutional ads handled by Benton & Bowles (which will also handle the new subsidiary).

Graf also plans to place promotional brochures in the hands of the 150 men comprising the sales staff of the 84 new bureaus. In training for the past five months, these salesmen, set to sell the service, will operate completely independent of the parent company's force (the subsidiary will have seven sales districts; the parent company has 15). Aside from its sales staff, each service bureau will have a group of what IBM calls Applied Science Representatives (graduate mathematicians), who'll figure out your problems for you. ■

\*The new subsidiary will either rent or buy equipment from IBM, the parent. Under the parent decree, too, the subsidiary gets no price break on equipment, but pays the same price as any other independent accounting & statistical organization. Aside from competing with Remington-Rand's Statistical & Recording Co., the new M service subsidiary has some 100 competitors.

## SELLING TO INDUSTRY

By John Sasso

®

### How not to sell industry

Railroads have a big stake in selling their services to industry, but you'd never believe it if you looked at their selling as exemplified in business paper ads.

Just for fun we spent some time the other day collecting railroad ads from a typical horizontal management publication. We eliminated ads aimed at selling plant sites, stuck to those presumably selling service. We found some beauties.

For example, "B&O babies your LCL" with—you guessed it—the inspired art idea of a baby picture. If management or shipping executives turn to Baltimore & Ohio after reading this ad with its bragging copy, then we give up.

Reading Railroad's stuff is no improvement. A full-page job, it shows a picture of pipe and tobacco, with the terrific headline "Just naturally go together . . . your freight and the Reading." Copy claims "perfect" shipping practices, proves nothing. As a slight gesture to the reader who might just want something specific, the account executive allowed the inclusion of a map showing interchange points with other railroads.

Missouri Pacific shouts about "Pioneering the Modern Pace in transportation." (Get the inspired MOPAC idea? Good boy.) They have the germ of selling point in the fact that expansion of diesel capacity is useful news, though the ad spoils it with such corny copy as: "Our powerful new diesels are the race horses and work horses of America's future." Election year influence, no doubt.

Burlington shows an overfed, grinning engineer in its full-page ad, with the headline "I am a Burlington Man." So what? The "friendly" engineer spouts such tripe as "listen to the deep-throated roar of the diesels—feel their surging power. . . . America needs such railroads as the Burlington—contributing to the strength and unity of our nation. . . . No wonder so many of us so proudly say 'I am a Burlington Man.'" Isn't that enough to make you sick to your stomach?

Of all the railroad ads we saw, only Chesapeake & Ohio seemed

to be trying to sell industry. C&O has installed Univac; this makes a strong sales point, but the ad writer had to be cute. So he used a double-page spread, wasted a full page on a drawing of a "Kitten on the Keys." Okay, so a cat has been a C&O tie-in for years, but why was it necessary to add the punning Vincent Lopez touch? An ad telling management directly that the

C&O now has means for high-speed recording and tracing of shipments, that the company believes in modernization for better transportation practices, etc., would get readership of anyone interested in efficient shipping practices.

Mind you, the ads we have been discussing are supposed to

represent top agency efforts at industrial selling. Something's wrong somewhere, either with the people who write the ads or those who approve them.

Wouldn't it make sense if railroads seeking freight business from industry sat down with their agencies and listed—or took means to find out—the sales points about shipping that really interest industrial men? And wouldn't it also make sense if the agencies writing such ads tried to remember that they are writing to industrial people and not consumer? Our humble guess is that some of 'em couldn't write such ads even if they wanted to.

### Great ad minds in action

Now hear this. The word today in chemical advertising is "action." Can't miss it in chemical ads these days. Witness: Durez Plastics Division of Hooker Electrochemical dubs its ads "Plastic in Action." Good idea. But wait. Monsanto also runs plastics ads, labels them "Monsanto Chemistry in Action." Olin-Mathieson is also in the action act with the logo "Creative Chemical Service in Action."

We'll give a bag of peanuts to readers digging out any additional examples of such copywriter imitativity. Obviously rank imitation spoils an idea for everybody. What's evidently needed is "action" in chemical copywriters' imaginations.









critical marketing decisions with which a company is faced."

The designers call the decisions "critical" because of another major trend in U.S. marketing today: the creation or development of a "company personality." While some effort to personify corporations has been going on almost since their beginning, many firms find that an imperative task today because of heightened competition. Lippincott thinks that more and more "the package design sets the form and expression of the company's visual personality." Gianninoto agrees, saying that packaging does so because "it is the link between the manufacturer and the consumer."

► With packaging so important, the designers believe it must be used in "all visual presentations" by companies, including advertising, or the effect is lost. Says Lippincott: "The package design must be suitable for reproduction in all media. The various elements used in the package—e.g., colors, trademarks, company symbols and logo—should be repeated in all of the company's visual promotion. Otherwise, the effect is diluted."

The designers, naturally, are agreed that the advertising agency can't take over the packaging function, that it should be run by outside specialists. Lippincott sums it up: "An agency may well handle the research required, but the packaging specialist is needed to determine the direction the research should take. . . . Since package design is geared for the long-term market, it requires careful craftsmanship of an order not possible in advertising art. The best solution is for the design firm and agency to work together."

► The designers each have different views on the "single greatest trend in packaging today." Nash believes it is the "use of the package as an advertising and selling medium." Lippincott thinks the most significant trend is the increased attention given to packaging by top management and the new attention given to packaging as a complex marketing problem." The second, with which Gianninoto agrees, is the effort to package in "greater convenience," both for retailer and consumer.

Lippincott makes an interesting observation on packaging's future. Says he: "It is not unlikely that within the next decade we will see the development of electronically operated supermarkets, where the customer merely pushes a button under the package and brand she wants. That would mean the end of all mass displays in packaging and would surely also mean that package design would have to take a new direction—designing for a single impression, with a single package." ■

## the WOMAN'S VIEWPOINT

By Dorothy Diamond

®

### Modern "egg money"

Time was when a clever housewife hoarded "egg money" so that she could buy luxuries without asking her husband's consent. Most modern women, of course, do not keep chickens in the yard. However, they have found another way to achieve financial independence. They collect trading stamps.

Do the millions of women now religiously pasting stamps in books pay higher prices for food as a consequence? There is some evidence that they do—and also that they don't care. In fact, there have even been protests when a grocery item went on sale. In explanation of this paradox, Dr. Persia Campbell, consumer counsel for New York State's Governor Harriman, has asserted that husbands who are generous with food money may be stingy when it comes to luxury items. Trading stamps thus emerge as extra and unfettered currency to be spent by the housewife as she (and only she) desires.

This candid glimpse into husband-wife relationships leaves no doubt that trading stamps will flourish as long as they remain legal.

### Why a parking area dominates a store

"The busy housewife no longer measures distances by the mile but by the minute." Alexander's Department Store (New York City) was painfully aware of this fact when it contemplated a new building in suburban White Plains. Like many another suburban city, White Plains is bedeviled by heavy traffic and an acute shortage of unoccupied parking meters. As a result, many women find it takes less time to drive to an outlying shopping center.

To discourage this sort of excursion was Alexander's aim. And so, to its new branch store, it annexed a unique six-level parking structure with room for 1,000 cars. Maybe "annexed" is not the precise word. Because of the appendage's size and prominence, store president George Farkas has been accused of "building a parking area with a store attached."

Granted that the tail may seem to be wagging the dog, I still think Alexander's has displayed excellent business acumen. Two factors that I especially like are: 1) Architecture gives special consideration to "the woman's viewpoint." Many features have been planned to keep dented fenders at the barest minimum. To aid the absent-minded shopper remember where she parked, each ramp displays a different color; 2) although an entrance leads invitingly from each ramp to the store proper, Alexander's is unusually lenient about the woman who shops elsewhere. Even though she does not buy a spool of thread from her benefactor, she receives—and it's excel-



lent public relations—90 minutes of free parking.

### Mrs. America

Although most contest queens are chosen for their 36-25-36 measurements, not so "Mrs. America." Plump and dowdy she can be, as long as she performs household chores with skill and poise.

The American Gas Assn., which for the 19th year is conducting the "Mrs. America" contest, has produced a movie describing—and glorifying—the 1956 finals in order to recruit a new crop of aspirants.

To many women who see the film, the \$15,000 in prizes will seem alluring. But others may be frightened by the prodigious feats they would be asked to perform and by the goldfish existence they would lead. No doubt about it, the course is rugged. After being assigned to a tiny cottage with her husband (and with a gas stove, of course), a potential Mrs. A. is required to bake cakes, make flower arrangements, wash, iron, plan menus all under the eyes of critical judges. There is also the hazard of the unexpected: judges drop in unannounced and give demerits for things like wrinkles on a bed.

Since the contest dignifies homemaking skills, it is, of course, decidedly worthwhile. I only wish that the wives acted a little less like Girl Scouts and that the husbands weren't pictured as such chumps. Must an efficient housewife mean a foolish or self-conscious male? I hope not.



# the magazines' new split-run offers

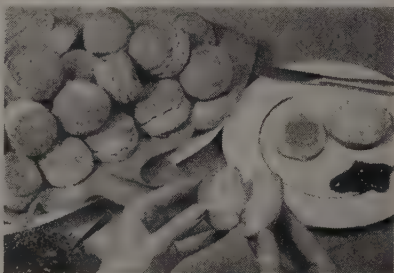
- Several of the biggest magazines start split press runs.
- Idea is to meet some of broadcasting's spot flexibility.
- Sametime, more sectional editions are offered advertisers.
- Here's the latest on who's got what.

Southern cooking champions say: "No biscuits ever tasted so good!"



**"This fluffy-rich, golden-yellow shortening gives you a new kind of hot biscuits!"**

They're light golden in color, all through! Better than you could possibly make before! Prettier! Fluffier! Tender. More delicious!



RECIPE IN EVERY WAY

Procter & Gamble's new kind of shortening... **GOLDEN FLUFFO**



MRS. ASTE'S GOLDEN BUTTERMILK BISCUITS

2 cups sifted Golden Fluffo  
1 cup sifted Golden Buttermilk  
1 cup sifted Golden Sugar  
1 cup sifted Golden Baking Powder  
1 cup sifted Golden Salt  
1 cup sifted Golden Eggs

MRS. ASTE'S COMPANY SPECIAL

1 cup sifted Golden Fluffo  
1 cup sifted Golden Buttermilk  
1 cup sifted Golden Sugar  
1 cup sifted Golden Baking Powder  
1 cup sifted Golden Salt  
1 cup sifted Golden Eggs

**GOLDEN FLUFFO**  
ALL-PURPOSE SHORTENING, NOT A TABLE SPREAD (shown from front container)

Procter & Gamble recently tested McCall's north-south split run for Fluffo, its new shortening. Ads promote biscuits in the south, pastry shells for the rest of the country. The split run was a one-shot for P&G, which says it's exploring the technique's value. Sametime, split runs for other purposes beside copy change get more extensive use. National Biscuit Co., for example, packages soda crackers as Premium in some areas, as Snowflake in others, runs the same ads with different labels in Family Circle regional editions.

TWO months ago Curtis Publishing Co. announced that its magazines (Holiday, Ladies' Home Journal, Satevepost) would accept for the first time geographically split advertisement. Last month Crowell-Collier followed suit with an even more elaborate sectional split run. Sametime, Sports Illustrated plans a west coast edition for next year to match its four-month-old Chicago and New York editions. McCall's split run, available for nearly 10 years on an on-request basis, is now official, rate card and all.

➤ In short, the giant magazines are moving into a field not traditionally identified with the national mass-selling concept. There are several reasons for the move. One is the growing interest among advertisers in the success of the spot strategies using the broadcast media. As the cost of advertising spirals, advertisers tend to take a harder look at their distribution patterns to determine whether advertising is wasted on blank areas. Sametime some magazines hope to up revenues by actively soliciting regional advertisers, pitching that regional market can now trade on the prestige of national magazines without paying total national costs for it. Says McCall advertising director William B. Carr: "You might say the geographical split run is a new medium based on the spot

(Continued on page 38)

Try this better golden-brown pie crust...make these easy **GOLDEN TREASURE TARTS!** says Betty Crocker



Make them with **FLUFFO** for a better kind of pie crust!

**GOLDEN TREASURE TARTS**  
2 cups sifted Golden Fluffo  
1 cup sifted Golden Buttermilk  
1 cup sifted Golden Sugar  
1 cup sifted Golden Baking Powder  
1 cup sifted Golden Salt  
1 cup sifted Golden Eggs

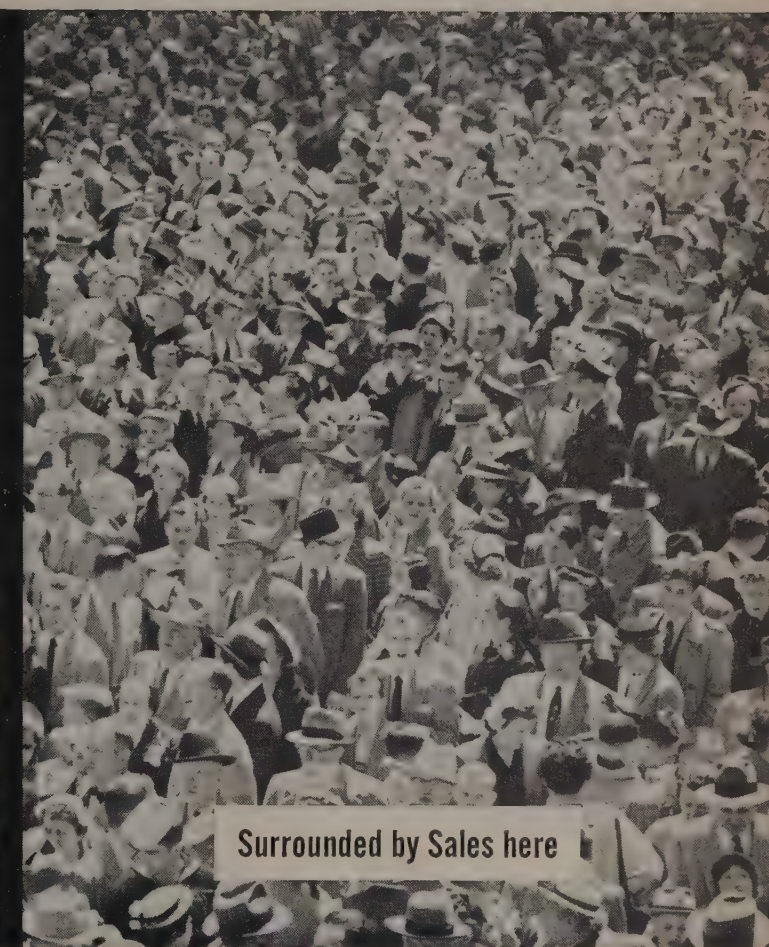
Procter & Gamble's new kind of shortening... **GOLDEN FLUFFO**  
ALL-PURPOSE SHORTENING, NOT A TABLE SPREAD (shown from front container)



# To sell more where more is sold ... it's **FIRST 3 FIRST!**



Surrounded by Solitude here



Surrounded by Sales here

**T**here's no traveling a lonely road when you advertise in FIRST 3 Markets, because here you have over 6 MILLION families for companions—all with *more* money to spend and in a buying mood. At the same time, competition for the consumer's attention to an advertising message is understandably keenest in the top markets of New York, Chicago and Philadelphia, where the family coverage of General Magazines, Syndicated Sunday Supplements, Radio and TV thins out. In these 3 far-above-average markets—which

account for 18% of U. S. Retail Sales—there is no substitute for FIRST 3 Markets' solid 62% COVERAGE of all families.

In addition, busy cash registers in the 6 states adjacent to the 3 markets ring up 30¢ out of every U. S. Retail Sales \$1. FIRST 3 Markets Group concentrates 84% of its circulation within these 6 states to deliver 47% coverage of all families.

To make your advertising sell *more* where *more* is sold... it's **FIRST 3 FIRST.**

The group with the Sunday Punch



Rotogravure • Colorgravure

New York Sunday News *Coloroto Magazine*

Chicago Sunday Tribune *Magazine*

Philadelphia Sunday Inquirer *"Today" Magazine*

New York 17, N.Y. News Building, 220 E. 42nd St., Murray Hill 7-4894 • Chicago 11, Ill., Tribune Tower, Superior 7-0043  
San Francisco 4, Calif., 155 Montgomery St., GARfield 1-7946 • Los Angeles 5, Calif., 3460 Wilshire Blvd., DUmkirk 5-3557



technique. The greatest interest comes from the west coast, where a lot of food manufacturers distribute only as far east as the mountains. In the east, prime prospects are brewers, coffee marketers and furniture makers who don't ship to the west."

► The variety is endless. Curtis, which has yet to sell its plan, offers a two-way split for each of its magazines, either 11 western states (plus Alaska, Hawaii, western Canada) and the balance of the country, or 14 southern states and the balance of the country. Each split is available in 13 issues of Satevepost, six issues of Ladies' Home Journal and Holiday. Restrictions: one advertiser must buy the whole run, can use only one split at a time. The extra cost: \$600 per black-&-white page (discounts allowed). This system most easily accommodates a large multi-product advertiser with different distribution on different lines (e.g., automobile makers might run convertible copy in the south, hard-top ads in the north). Adds Curtis New York manager H. W. Post: "It's become obvious to all of us regardless of medium that there are differences in different areas of the country. A lot of national advertisers have approached us in the last five years to supply a way of using national advertising more efficiently. We think this is it."

Crowell-Collier, which currently has only one advertiser using its split run (Best Foods in Woman's Home Companion), has a similar setup, with the added twist of a three-way split, west, south and the balance. Premium charges are lower (\$480 for a black-&-white page in the two-way split, \$960 for the three-way), but no discounts are allowed.

► Much more liberal is McCall's, which offers an east-west split and is actively soliciting partnerships between west coast and eastern regional advertisers. If McCall's succeeds in matching them up, the west coast man pays 16% of the cost, the eastern advertiser 84%. So long as the magazine gets the price of a full national page (plus the premium charges for running two plates) it doesn't insist on dealing with a single advertiser. McCall's, incidentally, also has a north-south split, may drop it in favor of a separate east coast section because of lack of interest so far in the south. In that case, three advertisers could split up the country.

One of the most flexible schemes is offered by True. While it's limited to a national buy, any combination of states may be used. The first advertiser to claim an issue can break up the run any way he likes, from one state

on up. If another advertiser can use exactly that pattern, he's welcome to take space. If not, he has to wait for the next open issue.

► From split runs, which are essentially for national advertisers, it's a long jump to the out & out sectional edition, which aims to pick up additional volume by pitching the regional marketer. The supermarket magazines, of course, have had regional editions for years (Everywoman's has four editions; Family Circle, 19—one or more for each chain; Woman's Day, six), and they sell ads in each edition or any combination. Other perennials are Bride's magazine, with 15 sections, the New Yorker with its New York city edition, Parents', with two editions and Farm Journal-Town Journal, with four editions each.

Recently though, other publishers have climbed on the bandwagon. Sports Illustrated, for instance, is the first of the Time, Inc., stable to break the national pattern. With sluggish national advertising sales, it's frankly out to beef up page totals with regional advertising. An advertiser can buy space in the New York edition (about six states), the Chicago edition (three states and parts of two others), the west coast edition (seven states), or any combination of the three. (New York and Chicago are scheduled for 17 issues next year, west coast for 16.) The three sections are handled as separate magazines with separate rate structures and separate discount systems. Says SI advertising manager Stephen Kelly: "The sectional editions are an important part of our future. After all, there's bound to be a trend away from 'mass' hysteria. The thing to do is to spot your appeal in your most fruitful markets. Renault of France, for example, has used small space in the national edition, and pages in the Chicago edition where its distribution is good. Schieffelin advertises Don Q Rum and Ruffino chianti in the regionals, Teacher's scotch in the national, backed up with extra frequency in the regionals. We're interested in advertisers like that, and in others for whom national advertising doesn't make sense."

► A breakdown of Sports Illustrated regional advertising shows alcoholic beverages the heaviest users (20%), travel and resorts second (19%) and apparel third (9%). Other large users: publishing and media, sporting goods. Some advertisers, adds Kelly, have gone from the regional editions to the national as distribution improved (e.g., Regent cigarettes, Laird's applejack, Waring blender). "In a sense, we grow our own national advertisers."

Sports Illustrated is more than satis-

fied with its regional system, which will garner 200 pages of advertising this year. Sametime, though, revenue won't be significant. The real importance, says Kelly, is that the extra page will give SI "more heft" and that regional accounts will provide entry into agencies which up to now have been lukewarm towards SI. To this end, SI has assigned the regional editions to separate regional ad manager, Noble Dougherty, who'll devote all his time to them. Another significant step plans to develop regional editorial matter for the different editions.

► While Sports Illustrated's sectionals are open to any advertiser who cares to use them, Esquire, Charm and Mademoiselle run purely local editions. Esquire, which now offers east coast and west coast editions, won't accept in them any nationally advertised product (explains eastern edition manager Norman Aronson: "If they buy nationally elsewhere, they'll have to buy Esquire nationally. Otherwise we'd lose revenue.") The Street & Smith publications, Charm and Mademoiselle, have similar restrictions for their eastern editions. Sametime, Street & Smith is thinking seriously of five regional editions for the two women's books plus Living for Young Homemakers. The purpose: tailored dealer listings for national products. (Argosy will offer both split runs and regionals, starting probably in January. The split run will work like True's with the first advertiser determining the split. Regional editions will cover east and west coasts.)

Apparently, regional editions are headed for big things. As for split runs for national advertisers, it's still too early to tell whether they'll catch on. Right now business is slow.



Caption by—D. W. LATTERELL

"I'm just not cut out for agency work. I find it too easy to relax!"



### What's next in magazine audience research?

Alfred Politz, who has played a key role in the development of magazine research, is currently working on yet another dimension (the seventh) in magazine audience measurement.

Since 1949 Politz has done a string of audience studies: **A Study of Accumulative and Repeat Audience** (measuring the total audience available for a continuous ad schedule rather than a one-time insertion), **A Study of Household Audience** (measuring the number of household buying units reached by magazines), **A Study of Duplication** (measuring the percentage of audience reached exclusively by a given magazine, and which magazines combine to reach the maximum audience), and **A Study of Seven Publications** (measuring the number of days an average reader is exposed to a single issue of a magazine).

Politz's well-known Study of Four Media, while admittedly not a new dimension, did make a stab at the still unresolved problem of comparable measurement of broadcast and print media.

Politz's newest measurement, still in the idea stage, will try to determine how much exposure each section (or even each page) in a magazine gets. The purpose: to pinpoint for an advertiser the chances his ad in any issue has of being read, without actually measuring ad readership.

### Spot TV gets into the color act:

NBC is leaving no stone unturned to speed up the acceptance of color television by advertisers as well as by the public.

The network's New York outlet, WRCA-TV, breaking a long-standing policy of discouraging the use of live spot commercials, is offering advertisers 20-second live station breaks, provided the commercial is done in color. Added inducement: no additional charges—just the black & white rate. Furthermore, the advertiser isn't limited to color show adjacencies. If time is available, he can sandwich his plug between two black & white shows. So far the offer has no takers.

NBC's all-color Chicago outlet, WNBQ, offers the same deal at a "nominal" extra charge, while NBC's Seattle (Wash.) affiliate, KOMO, lures tint advertisers with a proposition similar to WRCA's. The station absorbs extra costs, while NBC chips in with technical assistance.

Sametime, NBC Spot Sales is circulating the first of a series of color memos to 10,000 spot advertising prospects. Purpose, says TV spot sales director Edwin T. Jameson: to keep advertisers up to date on color, develop a favorable attitude to it, familiarize them with its potential and techniques.

### Magazine racks in supermarkets spreading—slowly:

Publishers trying to increase magazine circulation by broadening magazine distribution currently center their hopes on supermarkets. One reason is that magazine sales at traditional newsstand outlets are still slumping (ABC consumer and farm magazines, excluding Reader's Digest and Confidential, neither of which reported to ABC in 1954, dropped 2.6% in 1955 from 1954 levels).



About 8,500 supermarkets now sell magazines—1,000 more than last year and 2,500 more than in 1954. Sametime, distributors report a **trend to more publications per store** (latest move: A&P's expansion from 25 to 35 publications in its New England division).

Total sales, however, are hardly worth shouting about. A conservative estimate pegs supermarket sales of magazines last year at around \$23,500,000, or 9% of total single copy sales (compared to 7.7% in 1953).

Two factors are cramping store volume: **lack of space for a large list of titles, and reluctance of store managers to service the magazine rack properly.** While there's little being done about the first, publishers and distributors are working on the second. The Council for Independent Distribution, for example is testing a system of centralized billing, designed to relieve store managers of accounting headaches; Time, Inc., offers an incentive bonus to its wholesalers for special in-store servicing.

Industry specialists are forecasting (as they have for years) a **major role in magazine distribution for supermarkets**, but it probably will prove out only if the burden of servicing the magazine racks is shifted to magazine wholesalers.

### **TV spectacles go local:**

You'll be seeing more interest this winter in those "spectacular" variety shows televised to local audiences only.

Union Electric Company's recent show, On Stage in St. Louis (over KSD-TV), did so well (a 48.7 Hooper rating, plus endless publicity) that Ted Mack (of Amateur Hour fame), who produced it, is **hoping to corral important local advertisers in other markets into similar ventures.**

The St. Louis show, first of three scheduled for this year, offered both professional and amateur talent, all native to St. Louis, and **loaded with appeal for Union Electric's large rural market.**

Only hitch, thinks the Mack organization, is the price tag: \$15,000 per airing, high for a local show. Mack admits that **the stiff price is limiting interest right now to other power & light companies**, whose ad budgets and broad local markets make this kind of show attractive.

### **More offbeat ads coming up:**

While the Post Office Department's left hand is busy harassing publishers with the threat of heavy postal rate rises, the right hand is **making life considerably easier for them by permitting unusual ads, inserts and attachments in second-class mailings.**

Since 1953, post office officials have gradually relaxed their interpretation of what legitimately constitutes a magazine ad. Previously ads were limited to printed paper of standard weight and appearance. If ads on foil or laminated paper, die-cut pages, gate folds, tip-ins and attached illustrations were included, the magazine couldn't go second class. Now, however, **paid publications are free to accept almost anything and still get second-class rates.** Some recent examples of the new freedom: an October 6 ad for Capitol Records in The Billboard containing a sample record; an inserted brochure in the September Architectural Record containing editorial matter and ads.

The outlook for unusual ads: **better & better.** Says one Post Office spokesman, "We're recognizing that paper doesn't have to look exactly as it did in 1879. We're going to give advertisers freedom to develop new ideas. **From now on we're staying out of the business of creating advertisements.**"



# FACES OF THE FORTNIGHT



**American Motors' Brogan, Adams, Gage**  
*Winning conviction in the consumer's mind*

## **American Motors realigns its advertising approach**

American Motors, counting both its appliance and automotive operations, is one of the top 30 advertisers in the U.S. For 1957 its advertising and sales promotion budget will be about \$10,000,000, and most of this will go toward promoting sales of one product: the Rambler. This year for the first time the Rambler will be an independent line, along with Nash and Hudson, and will be the kingpin of AMC's fight to win a bigger share of the automobile market from the Big Three.

To give the Rambler its advertising clue, and to strengthen the company's whole advertising approach, American Motors has realigned its advertising operation. Under Fred W. Adams, AMC automotive advertising & merchandising director, three men have new assignments: E. B. Brogan is now ad manager for Rambler, A. D. Gage becomes ad manager for Nash, and G. L. Staudt, formerly ad manager for Hudson alone, takes on added responsibilities as ad manager of AMC's British-built Metropolitan.

The move obviously represents Amer-

ican Motors' determination to put the Rambler on the same sales strata as Chevrolet, Ford and Plymouth. Until now the Rambler has been sold as either a Nash Rambler or a Hudson Rambler, depending on which of AMC's two dealer organizations sold it. This year it will be known simply as the Rambler, though both dealer organizations will continue to handle it. AMC has gone further, has consolidated its Nash and Hudson field zones and will give the Rambler number one importance in its field operations.

## **Executives at ease**

A single hobby is enough to put most executives at ease. Not Neil Gallagher, senior vice-president of the Rochester (N. Y.) ad agency of Charles L. Rumrill & Co. Gallagher collects hobbies as his hobby. This photograph shows him surrounded by a few of them: chess (which he plays by mail), ceramics, astronomy, photography, languages and music.



AMC is staking its future on the Rambler, according to Adams, because it foresees a trend toward compact and smaller cars during the next 10 years, expects that by mid-1960's the entire automobile market will be split between big cars and smaller, more compact vehicles. AMC has already swung some 70% of its total production over to the Rambler.

AMC's biggest selling job, says Adams, is to win conviction in the consumer's mind that the Rambler is a different car with unique advantages. The motoring public, he explains, has not been "educated" to buy cars for logical reasons, but instead have been conditioned to the "glamor" approach. For this reason, American Motors' automobile advertising in 1957 will take a "news" approach, with heavy emphasis on Rambler's distinctive features. To enthuse its dealers, AMC will swing a bigger proportion of its ad budget into local dealer markets, will also use more outdoor.

The three men under Adams carrying out AMC's new ad policies are well schooled in both advertising and the automobile business. Brogan, at 33, has been with AMC since 1951 when he joined as assistant car distributor, worked up through retail sales and marketing, last year was named supervisor of dealer co-op advertising. Gage, 41, a former U.S. Army counter-intelligence agent, joined Nash in 1946 as export advertising and sales promotion manager, was most recently national advertising supervisor of Nash.





**EVERYBODY Loves**

**THE Beverly Hills HOTEL**

*"The Heart of Los Angeles"*

♥ ♥ Glamorously situated and convenient to everything, here is a celebrity crossroads offering the very essence of wonderful California living

MEMBER OF THE DINERS' CLUB



**Polio victims still need treatment!**

*Help provide Rehabilitation*

**Sister Elizabeth KENNY Foundation**

National Headquarters • Minneapolis, Minn.

Staudt, 45, also a former Army counter-intelligence officer, joined Hudson early this year, had previously been ad manager of Harnischfeger Corp. and ad manager of Standard Register Co.

### TV research inadequate, says Consultant McMahan

Friendly, easy-going Harry Wayne McMahan is a man with some unconventional opinions about television audiences. He insists, for example, that most advertising men tend to underestimate the intelligence of TV viewers, that TV audiences are much smarter than anyone realizes. And McMahan can speak with authority on what appeals to TV viewers, for he's been in the filmed commercial field for 20 years and has probably written more TV commercials than any single man in the industry today.

Last month McMahan left McCann-Erickson (where he was vice-president in charge of TV commercial production and creative plans board member) to join Dr. Ernest Dichter's Institution for Motivational Research as TV consultant. Later this year the Institute's present TV research activities will be expanded by the addition of a new "Living Laboratory" in Montrose (N.Y.), a new but undisclosed means of translating test findings into creative advertising. Working in the new Living Laboratory along with Dichter and his staff, McMahan will concern himself with the application of psychological methods of pre- and post-testing TV commercials, and the scientific evaluations of such data.

Next year, McMahan believes, will be "a year of decision for many TV advertisers who have gone overboard in the headlong spiraling of costs and confusion of the medium." TV has now reached the stage, says McMahan, where present research and analysis is inadequate. "Too much attention is given to simple recall points in a commercial, and not enough to the motivational factors that bring about image-changing for a product. Advertisers

**Handle Your Publicity Easily, Efficiently and Get Better Placement!**

with **BACON'S 5th ANNUAL PUBLICITY CHECKER**

NEW for 1957 6 1/2" x 9 1/2" 272 pages

### OVER 2000 LISTING CHANGES

Bacon's NEW 1957 Checker! Most complete listings available for releasing publicity. 3356 business, farm and consumer magazines listed in 99 market groups. Over 2000 listings have been changed for 1957.

Bacon's editor-coded system shows exactly what material each publication uses. Pin-points publicity—saves on preparation, photos and mailing. Sturdy fabricoid, spiral bound book. 6 1/2" x 9 1/2" size. 272 pages. **Write for your copy today!**

**PRICE \$15.00 Sent on Approval**

Name \_\_\_\_\_  
Company \_\_\_\_\_  
Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_  
Bill: ☐ Me ☐ My Company

**BACON'S CLIPPING BUREAU**  
343 So. Dearborn St. Chicago 4, Illinois

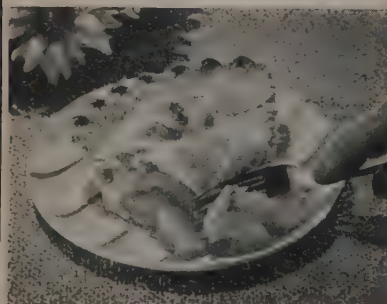
**our job as personnel consultants is to find the job that fits... both ways**

A competent advance job saves executive and applicant interviewing time—prevents costly mistakes on both sides.

*Marjorie Witty*

Personnel Consultants in Advertising-Sales Promotion-Marketing-Public Relations  
415 Lexington Avenue, New York • MU 2-71

**Ad readers are Tide readers of course**



This series of 20 and 60 second spots by SARRA introduces Pet Ritz Frozen Pies to video audiences. On-the-spot farm scenes tell a story of flavor and freshness transported from the orchard directly to the home. Kitchen shots show how easy it is to prepare the pies, and close-ups of thick, mouth-watering slices make the pies look as good as they taste! Voice-over emphasis on the phrase: "fruit country pie" plus effective package display help clinch sales. Produced by SARRA for PET MILK COMPANY, through GARDNER ADVERTISING COMPANY.

**SARRA INC.** 

New York: 200 E. 56th Street  
Chicago: 16 E. Ontario Street

**SPECIALISTS IN VISUAL SELLING**





**TV consultant Harry McMahan**  
1957: year of decision

need to think more in terms of what a full year's campaign of commercials can do in changing viewpoints and deep-selling merchandise, rather than try to analyze a single commercial by itself."

While at McCann-Erickson, McMahan supervised commercials on more than \$140 million worth of TV billing over 2½ years. His TV experience dates back to 1939 when he started a 16-year stint as president of Five Star Productions in Hollywood. During this time he introduced more than 200 national and regional advertisers to TV, wrote more than 3,000 commercials himself and produced more than 5,000. McMahan lives in Scarsdale (N.Y.) where he indulges in do-it-yourself interior decorating, and still and motion picture photography.

### Foote, Cone's Belding retires to more work

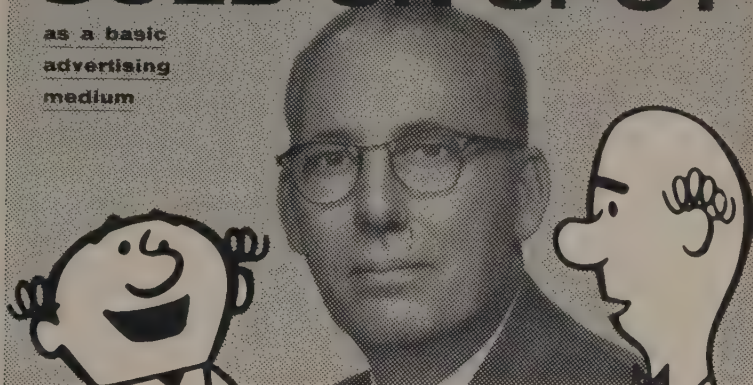
When Los Angeles voters go to the polls next April in their primary mayor-city election, one of the names on the ballot will be Don Belding. Most citizens of Los Angeles know Belding for his untiring participation in local civic affairs, but the advertising world knows him best as board chairman, executive committee chairman and west coast head of Foote, Cone & Belding.

Next January Belding will retire from Foote, Cone (one of the world's five largest ad agencies with 1957 billings "forecast" at \$100 million) and dispose of his stock. For most men this would mark the beginning of quiet rest and relaxation, but not for dynamic, 59-year-old Belding. To him it means a full-time opportunity to par-

Advertisers aiming to establish a strong new product personality are

## SOLD ON SPOT

as a basic  
advertising  
medium



**HENRY J. MUESSEN**, President and Chairman of the Board of Piel Bros., puts it this way: "There's no doubt that Bert and Harry sold themselves. However, without Spot's flexibility and great cumulative audiences, they never would have made the grade so fast. They are established salesmen and stars in their own right, thanks to Y&R and Spot Radio and Television."



**SPOT SALES**

## The man from Cunningham & Walsh



**Man with a two-track mind** — Ed Baczewski is a media supervisor of our advertising agency. Track No. 1.

His other track? One week a year he sells *in person* to the people he's concerned with selling *in advertising* all year.

Our contact, creative and execu-

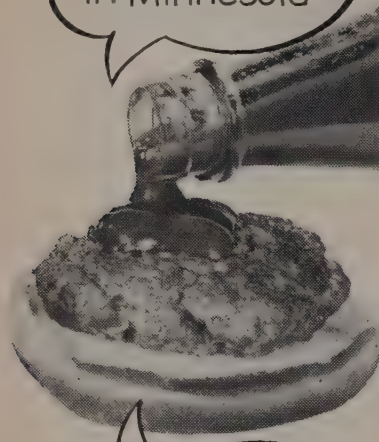
tive people all spend one week a year selling over the counter. That's a policy of our agency.

We're convinced that this two-track approach keeps us on the right track. Destination: better advertising.

Cunningham & Walsh, Inc., New York, Chicago, Los Angeles.



You heard?  
One brand of catsup  
outsells its nearest  
competitor 4 to 1  
in Minnesota



Yes...I saw it  
in the Minnesota  
Homemaker Survey\*

\*available on request from the

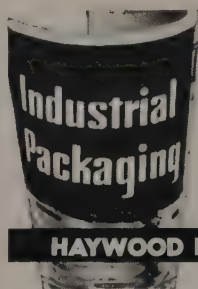
**Minneapolis  
Star and Tribune**  
EVENING MORNING AND SUNDAY  
**495,000 DAILY**  
**625,000 SUNDAY**  
in Minnesota, North and South Dakota,  
western Wisconsin

ticipate in his favorite pastime: civic activities.

By running for mayor of Los Angeles (as an independent), Belding is only adding another civic effort to a long career of distinguished service. Since 1919 Belding has been active in (and in many cases, a key officer of) no less than 12 national associations, committees or foundations, two regional groups and 13 local organizations. Belding explains his philosophy simply: "I have never had much respect for those who refuse to pull their weight in voluntary help within the community."

Since 1943, when his present agency took over the assets, clients and personnel of Lord & Thomas, Belding has been board chairman of the agency. Born in the Oregon backwoods and left fatherless at six, Belding worked his way through the University of Oregon, served in World War I. After setting his sights on the advertising business, he persuaded Lord & Thomas to take him on as an office boy without pay, worked his way up to vice-president within 10 years. Belding has been manager of the agency's Los Angeles office since 1938.

When Belding returns from his current South American tour next month, he will launch the campaign he hopes will make him mayor of Los Angeles, a campaign in which he will explain "my beliefs, hopes, methods of operation, qualification and dreams for this great city in the immediate years ahead."



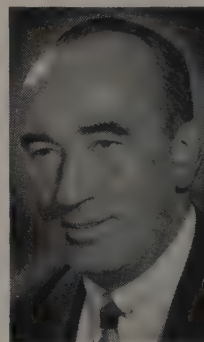
different  
because it is a  
specialized  
magazine serving  
the specialized  
needs of a big  
specialized field..  
★ send for market  
story, sample copy

**HAYWOOD PUBLISHING CO.**

22 E. HURON ST. CHICAGO 11

## Milwaukee Company Names Cranston to President Post

William E. Cranston has been elected president of A. J. Lindemann & Hoverson Co., Milwaukee electric appliance manufacturer. The company is a subsidiary of Norris - Thermador. It is a major user of steel, electric wire, enameling compounds, freight and many other products and services it buys from suppliers everywhere. Mr. Cranston will remain as president of Thermador Manufacturing Co., a corporation division in Los Angeles, where he will continue make his headquarters.



Mr. Cranston, with a manufacturing background, keeps up on important news developments by reading The Wall Street Journal. This habit he shares with executives all over the U. S. who get ahead in business. Journal circulation now is 413,576 and total readership nearly double that figure. What pass key for advertisers who look men in business for business!

The ONLY Clipping Bureau reading over 3,500 trade and class publications, as well as every English language daily and 80% of the weekly field.

**LUCE PRESS CLIPPING BUREAU**

157 Chambers St., NYC 7—BArcley 7-2096  
406 West 34th Street 715 Harrison Street  
Kansas City 11, Mo. Topeka, Kansas  
Write or Phone for Details.

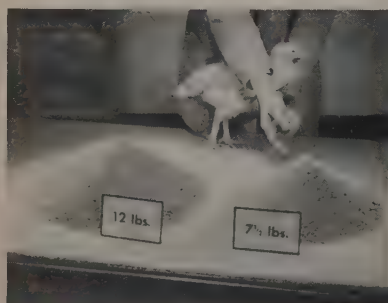
**•SCISSORS-TIP ART•**

The most convenient and the quickest way to produce smart printed promotions is to use the Clipper Scissors-Tip way. Free sample copy, yours to use, no obligation. Address...


**MULTI-AD SERVICES, INC.**

Box E-806

Peoria, Illinois



Dollar savings and healthier chicks are the main sales points in this two-minute commercial for Purina Chick Startena. Convincing visual evidence shows that chicks grow "6% heavier on 7% less feed," when raised on Purina. The spot is one of a series directed at farm audiences. The entire footage is shot, with a documentary approach, on farms and in testing laboratories. Selling points are made by farmers and laboratory technicians in an informal atmosphere that adds a note of authority to the spot. Produced by SARRA for RALSTON PURINA CO., through the GARDNER ADVERTISING COMPANY.

**SARRA** 

New York: 200 E. 56th Street  
Chicago: 16 E. Ontario Street

SPECIALISTS IN VISUAL SELLING



## LETTERS

### Fair trade

Sirs:  
I read your article in the September 28 issue with a great deal of interest (The Crisis in pricing). I think, however, that it is an example of an unfair presentation.

In the second paragraph the article says "... nine states have in effect thrown out fair trade as unconstitutional." However, no analysis, including yours, given in small print at the bottom of the "legal limbo" box, justifies this statement. The fine print indicates that three states and the District of Columbia have never had fair trade, Nebraska and Virginia no longer have fair trade, seven states have held the non-signer's clause invalid, out of this I do not get nine states having held fair trade unconstitutional.

So far as our company is concerned we get a signed fair trade agreement from every account.

It seems to me that distortion of facts in the article is an unwarranted attack on fair trade.

Harry C. Isaacs

Vice-President  
The B.V.D. Company, Inc.  
New York

The fine print indicated that nine states have thrown out fair trade on one or another constitutional ground. They are: Nebraska, Virginia, Arkansas, Colorado, Florida, Georgia, Louisiana, Michigan and Oregon.—Ed.

### Rating

Sirs:  
In regard to (Columnist Lester Leber's) reference to the IT&T advertisement, "We Build Electronic Brains for Guided Missiles," you will be interested to note the following Starch Readership Report on that advertisement in the August 20 issue of Time Magazine.

The advertisement ranked third in the issue for "noted," sixth for "seen"—associated," seventh for "read most."

Samuel Lanham

J. M. Mathes, Inc.  
New York

Columnist Leber's criticism of the IT&T ad and Reader Lanham's remarks are, we suppose, what makes advertising.—Ed.

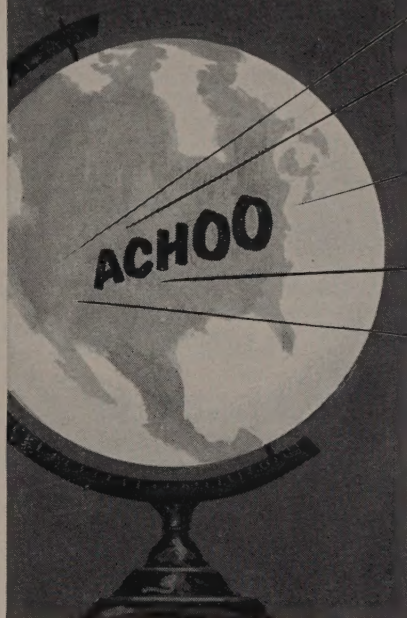
### Letter of credit

Sirs:  
In the October 12 issue of Tide there is an article entitled "Pros & Cons of Multi-Packaging." In the article there is a paragraph which states that Brown-Forman Distillers Corp. claims that it is first in the liquor industry to introduce multi-packaging (specifically two-packs).

This letter is . . . in protest to the claim that Brown-Forman was first, as Glenmore Distilleries Company used a

Your salesman's  
dealers or his  
competition . . . can't sneeze

without his  
knowing it!



Your salesman's ACB report covers every newspaper ad in his territory . . . his own dealers . . . competitive dealers . . . his own and competitive national releases. He's in touch with the far corners constantly . . . putting out fires . . . starting fires of his own. The salesmanager gets a copy of the same Report. It's more profitable to have these Reports than do without them.

#### RETAIL STORE REPORTS



Will give you all details of every advertisement you want to see if it is published in a daily or Sunday newspaper in the United States . . . what dealer is advertising what brands at what prices . . . what newspaper on what date, what size . . . what price on merchandise and what premiums or deals if any.

Frees salesman's time for customers, by eliminating his searching various newspaper office files for these ads.

At sales and advertising headquarters you can compare salesman's performance in advertising support . . . follow switches by dealers . . . rate your comparative dealer support . . . keep tab on free advertising received from dealer; estimate your cooperative commitments from week to week; cuts time on writing and reading reports.

#### SCHEDULE LISTINGS



Covers national advertising—tells where competitive campaigns are breaking. Can be supplemented with Linage & Cost Summary Reports if desired.

#### PASTE-UPS FOR SALESMEN



All pertinent ads appearing in specified towns are mounted onto "accordion fold" exhibits for salesmen's use.

#### ADDITIONAL SERVICES

11 additional services are available. Described in ACB Catalog sent free on request, or contact nearest ACB office.



**The Advertising Checking Bureau, Inc.**

New York (16) 79 Madison Ave. • Chicago (3) 18 S. Michigan Ave. • Columbus (15) 20 South Third St. • Memphis (3) 161 Jefferson Ave. • San Francisco (5) 51 First St.

**ACB READS EVERY ADVERTISEMENT IN EVERY DAILY NEWSPAPER**



Give  
the Gift  
you'd  
like to get  
yourself



#### ARMCHAIR SHOPPING SERVICE

Hennessy is available everywhere, but you can now send Hennessy as a gift to friends and business associates in 30 states. For information, write, wire or phone: Beverage Gift Service, Dept. H, City National Bank Bldg., Beverly Hills, California. CRestview 1-6286



# HENNESSY

The World's Preferred COGNAC BRANDY  
84 Proof • Schieffelin & Co., New York

double pack years ago before World War II. Since that time Glenmore has used a two-pack carton, as well as a tripack, in order to merchandise Old Kentucky Tavern and the Glenmore brands at the retail level.

This fact is brought to your attention in order that credit may be given where credit is due.

Lewis Holloway

Public Relations Manager  
Glenmore Distilleries Co.  
Louisville, Ky.

With pleasure.—Ed.

## Agency networks

Sirs:

May I point up your editorial responsibilities to the many fine advertising agency members of the various leading U.S. agency networks to allow their voice to be heard in defense of the shallow, narrow-minded attack on their activities as carried in John Sasso's column in Tide's October 12 issue.

Just as there are some unqualified people in the agency business, there may also be unqualified agencies passing off the network arrangement as something it is not. However, I feel sure that hundreds of outstanding advertising agency men and many of their clients could provide your publication with adequate proof of the value of inter-agency network cooperative services, when properly recognized as a marketing tool and properly represented to the advertiser . . .

David V. Selders

President  
Selders-Jones-Covington, Inc.  
Kansas City

Sirs:

It was with some dismay that I read John Sasso's column in your October 12 issue. His statements about advertising agency networks indicate considerable misinformation which I sincerely submit should be corrected . . .

John H. Hoefer

Hoefer, Dieterich & Brown, Inc.  
San Francisco

Sirs:

. . . You folks might like to study the rosters of organizations such as ours, NAAN, CAAN and others. You'll find that you are throwing rocks at quite a fair percentage of 4A agencies . . .

Alex T. Franz

Alex T. Franz, Inc.  
Chicago

Sirs:

. . . May I suggest that Mr. Sasso brush up on agencies' network functions a bit and then "right this wrong" that may have been established in the minds of advertiser-readers.

Henry Quednau

Henry Quednau Advertising Agency  
Tampa

Sirs:

. . . Anyone who understands the advertising agency business could very well inform Mr. Sasso that his attack was unwarranted and positively inaccurate and downright untruthful . . .

Robert B. Young

Robert B. Young Advertising  
San Francisco

Sirs:

. . . It would reassure us in feeling that Tide fully understands the value of network agency arrangements to have Mr.

# Tide

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PLaza 7-2800

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LExington 2-1760

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Ad leaders are readers—  
of Tide, of course!



Sasso clarify the matter in his next column . . .

Everts H. Howell

President  
Howell Advertising Agency  
Elmira, N. Y.

Columnist Sasso's remarks are his own and do not necessarily represent the editorial policy of this magazine. He will devote his column in the next issue of Tide to an amplification of his views on advertising agency networks.—Ed.

Sirs:

... There are no doubt some fly-by-night operations which merit Mr. Sasso's criticisms. We feel, however, that he has certainly been grossly unfair to the members of the A.A.A.N. as well as to members of several other similar well-established and competent agency networks.

Richard W. Mithoff

Mithoff Advertising  
El Paso, Tex.

Sirs:

... I consider his opinion on advertising network operation extremely uninformed . . . and his example unfair to the many fine advertising agencies throughout the country who are members of A.A.A.N. or any one of the several other excellent national network associations . . .

F. C. T. Flynn

Secretary  
Lessing Advertising Co., Inc.  
Des Moines

Sirs:

... Over the years, agency networks have contributed much to advertisers and to agencies. We could cite many cases, and our affiliates in A.A.A.N. could cite many others. We should like to tell you about just one . . .

F. Dorr Walsh

Vice-President  
Hixson & Jorgensen, Inc.  
Los Angeles

Make  
sure you  
sell them  
at the  
Point Of  
Sale!



The most crucial test of any national or regional advertising campaign is the *Point of Sale*. Make sure your brand is the one the customer reaches for when the moment of decision comes. In the final eleven sidewalk seconds, hard selling Meyercord Decal spot signs help the customer recall all the pre-selling you've done in every other advertising medium. The Meyercord Co. has produced millions of effective decal spot signs for hundreds of national and regional advertisers. Our experience in design and quality manufacture can prove of great value in your Point of Sale campaign. These services are available to you for the asking, and you're invited to take full advantage of our experience. Drop us a line and tell us when our salesman may call . . . with no obligation to you.

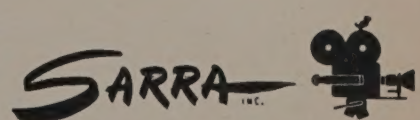
**"Advisor" Full Color Brochure**  
The "Advisor" brochure reproduces the most outstanding examples of Meyercord-produced Point-of-Sale Decal Spot Signs. Shows how to secure greatest advertising value from decal signs. Write for it on company letterhead.



**THE MEYERCORD CO.**  
*World's Largest Decalcomania Manufacturers*

DEPT. A-205  
5323 W. LAKE STREET  
CHICAGO 44, ILLINOIS

The subject is a "natural" . . . teenagers "gabbing" on the phone! It's a situation packed with human interest, and it's bound to build sales for 7-Up! Expertly cast youngsters—sprawled on chairs and stretched out on the floor—bring vitality and realism to TV screens . . . and forcefully illustrate the selling line: "Nothing does it like 7-Up!" The complete group of 20 and 60 second spots, part of a continuing series for 7-Up, follows the teenagers through a whirl of social activities. The product is strongly identified and will be well remembered by TV audiences. Produced by SARRA for THE 7-UP COMPANY, through J. WALTER THOMPSON COMPANY.



New York: 200 E. 56th Street  
Chicago: 16 E. Ontario Street

SPECIALISTS IN VISUAL SELLING



# FOOTNOTES

## *Take two giant steps*

The regular fall meeting of the Assn. of National Advertisers in Chicago a couple of weeks ago was by all odds the best in our memory. There were a surprising number of good speeches and more important, two proposals which the advertising business as a whole should welcome and support.

The proposals might well go a long way toward solving two of advertising's most perplexing problems: The need for improvement in methods of measuring advertising readership, and the lack of guideposts in establishing just how—and how much—an advertiser should pay his agency.

Sherwood Dodge, vice-president & general manager of Foote, Cone & Belding, and also chairman of the Advertising Research Foundation's committee on printed advertising rating methods, demonstrated a new gadget his committee calls Communiscope. Basically it's little more than a projector which flashes, for 6-10ths of a second, an ad on a screen. From the demonstration, we think it's pretty clear that ARF has (and ANA should support) a vastly improved means of measuring what printed advertising does to the minds and memories of its readers.

As Dodge explained it, Communiscope eliminates the major complaints with both Starch's recognition method (it exposes the interviewee to the ad longer and more intensively than in normal reading) and Gallup-Robinson's aided recall method (an ad has to be almost overpowering before readers will recall it without help).

ARF and especially Dodge's committee deserve commendation, for what might well turn out to be a significant step forward in advertising research. There are problems to be ironed out of Communiscope before it can be put into full-scale use, of course, but none of them is insurmountable.

What may be difficult, however, is persuading competitive research firms to adopt Communiscope, or something similar, in lieu of their own systems.

Here, we feel, is where the ARF committee did an unintentional disservice to ANA. It was, perhaps, a little too gentle with both Starch and Gallup-Robinson, in pointing out the existing shortcomings of their respective research methods. The value of Communiscope would be in much better perspective, to ANA members and everyone else for that matter, if they knew better where present readership rating methods fall short and how short.

The other headache that ANA is moving to eliminate involves agency compensation. ANA's plan was described by John B. McLaughlin, sales & advertising

director of Kraft Foods Co. and chairman of ANA's special study committee on agency compensation methods.

After describing at length why no ANA study can ever tell any advertising director how much to pay his agency, McLaughlin explained that advertisers do need a wealth of information ranging from exactly what an agency is to what it does—before any advertiser can hope to decide for himself how much to pay his own agency.

Then McLaughlin announced the ANA plan: a "completely objective, independent, comprehensive, authoritative, up-to-date source of information" on agencies which will come out of a study to be conducted by Albert Frey, professor of marketing at Dartmouth College's Tuck School of Business Administration.

The study, said McLaughlin, will give advertisers:

- A definition of the function of the modern advertising agency in today's marketing process.
- A compilation of facts which will clarify the extent to which the modern agency confines its responsibility only to the creation of advertising, or the extent to which today's advertising agencies contribute to the entire marketing operation.
- A description of how the function and relationship of agencies differ between different clients and between agencies.
- A description of the varying degrees of responsibility that modern agencies assume for volume, profits and the growth of their clients' business.
- A survey of the different practices of agencies in the degree and manner they serve clients.
- A summary of the different ways agencies are paid—especially in regard to services other than space and time.

Such a study will obviously provide, as McLaughlin pointed out, a practical guide to advertisers in arriving at the most productive relationship possible with their agencies.

We commend the ANA for this rational approach to a perennial problem. We regret, however, that the way it approached it caused so much unnecessary furor during the past year. The result of Professor Frey's work will undoubtedly be of great value and we hope it will be worth all the dissension that led up to it.

*The Editors*